

# The Monetary Times

Trade Review and Insurance Chronicle

Vol. 51—No. 17

Toronto, Canada, October 25, 1913

Ten Cents

## The Monetary Times OF CANADA

PUBLISHED EVERY SATURDAY BY THE MONETARY TIMES  
PRINTING COMPANY OF CANADA, LIMITED

JAMES J. SALMOND, MANAGING DIRECTOR  
FRED. W. FIELD, MANAGING EDITOR  
A. E. JENNINGS, ADVERTISING MANAGER

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

### Terms of Subscription, payable in advance:

Postpaid to any address in the Postal Union:  
One Year \$3.00 (12s.)  
Six Months \$1.75 (7s.)  
Three Months \$1.00 (4s.)  
Copies Antedating This Issue by More Than One Month, 25 Cents Each.  
Copies Antedating This Issue by More Than Six Months, 50 Cents Each.

### ADVERTISING RATES ON APPLICATION

**HEAD OFFICE**—Corner Church and Court Streets, Toronto.  
Telephone Main 7404 7405 or 7406. Branch exchange connecting all departments. CABLE ADDRESS—"MONTIERS, TORONTO."  
**Winnipeg Office**—Room 820, Union Bank Building. G. W. Goodall, Western Manager. Telephone Main 2914  
**Montreal Office**—Room 617 and 628 Transportation Building. T. C. Allum, Editorial Representative. Phone Main 8436.  
All mailed papers are sent direct to Friday evening trains. Subscribers who receive them late will confer a favor by reporting to the circulation department. The Monetary Times does not necessarily endorse the statements and opinions of its correspondents, nor does it hold itself responsible therefor. The Monetary Times invites information from its readers to aid in excluding from its columns fraudulent and objectionable advertisements. All information will be treated confidentially.

### NOTICE TO SUBSCRIBERS

When changing your mailing instructions, be sure and give your old address in full as well as your new address.

## PROVINCIAL AND DOMINION COMPANIES

The Supreme Court of Canada have decided, by four to two, that a provincially incorporated company is not limited in the scope of its operations to the territorial boundaries of the incorporating province, but has the right to go to other provinces to carry on its business.

The power of the province to license and regulate such incorporations from outside as located within its territory, is upheld so long as such regulation or licensing is not preventive in its character.

An appeal will likely be made to the Privy Council. The insurance companies especially have taken an interest in this matter, which has been before the courts for a long time. Writing in *The Monetary Times Annual Review* this year, Mr. T. L. Morrissey, Montreal, said:—

"Away back in the sixties when the Fathers of Confederation sat down to write the rules of the game to govern the new Dominion—commonly known as the British North America Act—it occurred to none of them to set down insurance as either a subject to be assigned exclusively to the provincial legislatures, or worthy of mention amongst those subjects expressed for greater certainty as falling to the Dominion Parliament. The consequence is that insurance has been held up ever since, something like Mahomet's coffin, between the heaven of Dominion supervision and the earth of Provincial interference, or vice versa, to suit the taste or views of the particular individual considering the question, or how it affects his particular interest at that particular moment."

There is little doubt that while the Dominion and nine provincial governments are discussing their respective "rights" in the matter of company laws, serious obstacles are being created to the conduct of business.

### PRINCIPAL CONTENTS OF THIS ISSUE

Editorial:	PAGE
Capital and London Market .....	666
Saskatchewan Tax Proceedings .....	666
Financial Relations with United States ....	667
<b>Finance and Economics:</b>	
Saskatchewan Seeks Farmers' Loaning Mecca	670
Russell Motor Report Poor .....	679
Canada's Rich Pacific Province .....	682
<b>Stock Exchanges:</b>	
Prices of the Week .....	692-3
Canadian Securities in London .....	694
<b>Bonds and Municipal Credit:</b>	
Saskatchewan Land Bank Bonds .....	672
Does Municipal Ownership Benefit Taxpayers?	674
Alberta Will Issue Bonds .....	696
<b>Commerce and Transportation:</b>	
Send Shingles to the States .....	676
Electric Road Building .....	54
<b>Insurance:</b>	
Government Watches Insurance Companies .	677
Should Fix Responsibility for Fires .....	690
<b>Mining:</b>	
Miners Raised Many Millions .....	679

The ten governments have different ideas as to company laws and requirements. The result often is that the Dominion has to be treated as ten units by companies doing business, or desiring to, in Canada. A uniform company law for the Dominion is a necessity. That fact will surely be recognized one day by the various governments concerned.

## HOW THE NATIONAL AGENCY STOOD BEHIND

At the investigation of Union Life affairs at Toronto, Mr. C. A. Masten, K.C., on behalf of the government, asked:—

"What did the National Agency receive from the Union Life?"

"Twenty per cent. on the gross commission," was the reply of Mr. Harry Symonds, K.C., a director of both companies.

"What was the National Agency doing for that 20 per cent.?" asked Mr. Masten.

"Standing behind the Union Life, making contracts, and in a general way supporting the company," came the answer.

When the Union Life tempted hundreds of British investors to purchase 10,000 shares of its stock at a premium of 20 per cent., the National Agency Company guaranteed a dividend of 6 per cent. for three years. This was presumably one of the ways in which the National Agency promised to stand behind the Union Life. It failed to pay the dividend, and that was one of the ways in which it actually stood behind the Union Life.

Last week the National Agency was placed in the liquidator's hands, after having performed gracefully its acrobatic "support" of the Union Life's dip into the British investors' pockets.

## CANADA IN LONDON

Canadians in London are discussing which is the better site for the Canadian Government House there—Aldwich or Westminster. *The Monetary Times* votes in favor of Aldwich. There is a certain heavy atmosphere in the Westminster district, which is very appropriate perhaps for Westminster, but not for the London office of a young country like Canada, with its vigorous climate and appealing prospects. Aldwich is young London and that seems to be the suitable centre for Canada's representation.

## AN INTERESTING EXPERIMENT

Calgary is the first city in Canada to undertake as a municipal department the construction and operation of an industrial service building. For the \$250,000 appropriated by the large favorable vote of the rate-payers, a six-story concrete structure will be erected and leased to incoming manufacturers. It is anticipated that by getting a start in this way, small industries will be encouraged, soon outgrow their temporary quarters, and go out to build more extensive accommodation for themselves. The advantage primarily to the newcomer is that he retains his capital in the form in which he can most profitably use it. To the people at large this plan offers an inducement to small manufacturers which, instead of being a tax, as is the bonus idea, is a revenue producer from the beginning. The Industrial Bureau of Calgary is responsible for having pressed the question before the attention of the city council and ratepayers. The experiment will be watched with interest, if not with trepidation.

## CAPITAL AND THE LONDON MARKET

Seven recent issues in London left \$37,000,000 with the underwriters, of which \$18,000,000 were on account of five Canadian loans. That fact is a clear index to conditions in the London money market. The underwriters took more than 50 per cent. of the Dominion, Edmonton City, Vancouver City, Alberta Province, and Vancouver Power Company's issues. They also took 92 per cent. of the New Zealand Government loan of £3,500,000 4 per cents. which was issued at 98½. The underwriters of colonial loans on the London Stock Exchange then agreed among themselves to refuse to underwrite further until the New Year, when it is hoped the recent issues will be digested by the public. Montreal city is waiting to float a loan of \$11,900,000, and this will probably be withheld for the time being.

The conditions in the market naturally are to an extent, temporary. Some months ago, a similar glut of securities existed, and the underwriters refused to sponsor any more issues. Recently it was thought that the market was ready again for a supply of new securities. The events of the past few weeks have proved that the market was not ready. There is only one thing for Canadian borrowers to do—there are a large number waiting to enter the market—and that is to be patient until conditions improve and expert advices are received that loans may be made, probably with some success. That is a difficult task, especially for those rapidly developing municipalities which must have funds to finance the improvements necessary to accommodate constantly increasing population.

But after all, the check in securities issues is but a passing phase. Other facts must be recognized and they are apparently permanent factors in the situation. The demand for capital has increased greatly in the past few

years. The same explanation is given by many authorities. Mr. Albert S. Bolles, sometime professor of banking at Pennsylvania University, for instance, in a recent article states that the enlarged call for capital comes from two well-defined sources: the need of the merchant for more capital in consequence of the higher prices he must pay for his merchandise, besides the additional capital needed for business extensions. The other enlarged demand comes from the railroads and other great enterprises for the extension of their business.

In short, as Lord Milner stated at Birmingham the other day, it will be a long while before we again see anything like "a glut of capital" of which it was once the fashion to speak. As he aptly put it, "capital is no longer prepared to serve on the terms which it was formerly willing to accept. It has, so to speak, struck for higher wages. A vast demand has been made upon capital by the rapid development of so many new countries and the simultaneous awakening into great industrial activity of certain old countries. There has never been a time when so many new countries are rapidly growing all at once and pulling all at once on the surplus capital of the old countries. In time, no doubt, they will be better able to help themselves, and the pull will diminish."

It will likely be a great many years before that point is reached. Canadians know well what immense development work lies ahead in Canada, entailing heavy borrowing for a lengthy period. Other countries also are strong bidders for surplus capital, such as, for instance, Argentina, the South American Republics, the West Indies, India, Japan, and self-governing dominions other than Canada. The scramble for capital will continue. Few countries there are which have any considerable amount of surplus capital. These include chiefly Great Britain, the United States and France.

Canada, therefore, will have to take its chance in the scramble. In the past, it has come out with pretty fair handfuls of cash. Canadian securities will have no better an opportunity than that of other countries, except it be that the terms of the offerings exactly suit market conditions and the offerings themselves are without blemish. How important it is for Canadian credit to be maintained at a high standard by placing only first-class loans in London, is obvious. The British investor has a wide choice of good securities in many lands. Which should be a sufficient hint to the Canadian borrower.

## SASKATCHEWAN TAX PROCEEDINGS

Several complaints have reached *The Monetary Times* to the effect that the Saskatchewan government is not as lenient as it might fairly be to property owners whose taxes have not been paid. Here, for instance, is a notification from the secretary-treasurer of one of the municipalities which seems to read rather harshly:—

"Take notice that the hail insurance tax has to be paid to the secretary of the municipality on or before the first day of October; in the event of the fund then in the hands of the commission not being sufficient to pay all losses in full the same shall be paid pro-ratio. If all the taxes, due to this municipality, are not paid within 30 days from the date of the enclosed tax notice, steps will be taken at once to forfeit the land or to collect the same by distraint without any other notice."

There is little need surely for such drastic proceedings in a rich agricultural and progressive province like Saskatchewan. Probably the costs connected with forfeiture proceedings would sometimes exceed the original tax bill.

**FINANCIAL RELATIONS WITH UNITED STATES**

As has been pointed out by Mr. H. M. P. Eckardt, an increase of commercial interchanges between Canada and the United States means a further development also of financial relations. The accounts carried in New York, Chicago, Boston by the Canadian banks are likely to grow steadily larger and more valuable. Probably an increasing number of banks throughout the United States will find it advisable to carry accounts at one or other of the Canadian centres for the purpose of clearing Canadian items negotiated by them and for purposes of selling drafts on Canada. Six Canadian banks have fourteen branches in the United States. Six of these are at New York, two at Chicago, two at San Francisco and one each at Boston; Portland, Oregon; Seattle, and Spokane.

Stronger trade relations may also encourage a greater interchange of securities. At the same time, London will remain our chief banker. When the British market has been overloaded with new issues, the United States will help to relieve the situation as they have done during the past few months.

**SMALL CHANGE**

Tammany Sulzer should make a good, hot New York drink.

\* \* \* \*

Central gold reserve looks hungry and White in the gills.

\* \* \* \*

Chicago dispatch speaks of Sir Thomas O'Shaughnessy. Bedad!

\* \* \* \*

Montreal contemporary insists on speaking of "Canada Iron Corp."

\* \* \* \*

It is not always the man in the top skyscraper office who demonstrates high finance.

\* \* \* \*

Montreal man said to have made 1,750 per cent. on land deal with the city. O Canada!

\* \* \* \*

Now the Privy Council will train its legal monocle on to Canadian incorporation rights.

\* \* \* \*

Beware of the man who works only to give his Alpine hat a chance to see the world.

\* \* \* \*

Canada has been so often "left with the underwriters," that it must be time it got right with the underlefters.

\* \* \* \*

Parties in Great Britain are preparing for bye-elections. According to Sir Wilfrid Laurier, the Chat one was also bought.

\* \* \* \*

If that Montreal-Herald-Star-Toronto-World controversy is really about Mutt and Jeff, we feel glad that they have been injuncted.

\* \* \* \*

Report of the Ontario Minister of Lands, Forests and Mines states "there was sold 349,319 acres"—the hunting in the north apparently being more attractive to the staff than the grammar book.

\* \* \* \*

England will give United States Panama Canal tolls discrimination a jab with a brand new canal to be built at once, says London cable—the canal to be shaken before taken and with a pinch of salt.

Anyway, the new observation cars will be useful as Canadian Pacific Railway officials take a last glimpse at Austrian police and scenery.

\* \* \* \*

Every day the Montreal Herald asks "Who owns ten thousand shares of Tramways stock?" The suspense is awful; let us have the answer.

\* \* \* \*

Vancouver inventor has a machine that will go 100 miles an hour through water. This would be useful in the seas of Canadian overcapitalization.

\* \* \* \*

Theatre and lunatic asylum should do good business now Toronto citizens are trying to follow intricacies of street railway deal—one for the ceasers, the other for the plodders.

\* \* \* \*

"Mr. Coady's cabled word would be enough with some old banking firms in London to put funds amounting to several million dollars at the disposal of Toronto," says Toronto Mail—always supposing, in tight money times, their age did not affect their hearing.

\* \* \* \*

Manager of the People's Securities Company, Toronto, who issues a stock and bond brokerage course and then gives his pupils investments to sell, says "stock and bond brokers are the highest paid men in the world." Statement is as yet unconfirmed by the brokers.

\* \* \* \*

In an official memoir from Ottawa on oil and gas prospects, Mr. Wyatt Malcolm says: "In the west, deposition during carboniferous, triassic and jurassic times has, to a great extent, bridged over the unconformity seen in the east." Looks like a geological translation of Kipling.

\* \* \* \*

A youth living at West Liverpool, N.J., sold the family cow in order to get money enough to pay his way into the world's championship baseball games. We will wait patiently to hear this boy later tell his children how he glued to schoolbooks, never threw a slate at teacher, and became a railroad magnate.

\* \* \* \*

"If the working people would save, for the next five years, the money that they spend on beer, tobacco and baseball, they could control a large share of capital employed in industries," says United States writer. Why not add theatres, automobiles, candies, hobble skirts, dancing, etc., etc., etc., etc., etc.

\* \* \* \*

London cable says Canada may be trying to secure the Brazilian dreadnought which is under construction in English shipyards. This vessel is not of suitable type for British navy, and naval experts state that she would be a nuisance to combined squadron work. Might be useful to cruise after Brazilian stock mysteries.

\* \* \* \*

Mark Twain described a mine as a hole in the ground owned by a liar. Our Calgary correspondent says that definite information as to the commercial value of the oil discovery there is not to hand, as further boring and a shooting will be necessary to determine whether the hole "is a gusher, a pocket, or a duster." Twain did not get as far as oil holes.

\* \* \* \*

Lord Haldane had to borrow the German word "sittlichkeit," owing to the alleged poverty of his native tongue, for the subject of his address to the American Bar Association at Montreal. It purports to express the idea of ethical conventions as between political communities, corresponding to the social conventions which prescribe or proscribe certain conduct as good or bad "form" as between individual members of society. We know a few office boys who could have filled the gap with his Lordship's native tongue.

# UNDERWRITERS WILL NOT TAKE MORE ISSUES YET

(Central News financial cables are exclusive in Canada to *The Monetary Times*. Canadian Associated Press and Montreal Star cables are printed by special arrangement. "The best London cable service of any Canadian financial journal.")

## INVESTORS' HESITATION UNDERSTOOD BY EXPERT FINANCIERS

### Canadian Loans Left With Underwriters are Being Digested—Stock Exchange Settlement

(Central News letter to *The Monetary Times*).

London, October 15th.—Trade throughout the United Kingdom remains the reverse of brisk, but capital, which is being set free from commercial purposes, is for the moment merely finding its way into deposit accounts and not flowing into the investment markets. This is a circumstance, which naturally causes impatience on the Stock Exchange, where members are conscious that there are plenty of bargains about and are at a loss to understand the attitude of the investing public. Perhaps, however, the public is really actuated by dictates of the soundest commonsense. Investors, not without good reasons, are not sure that prices have reached their lowest levels yet. Moreover they can secure  $3\frac{1}{2}$  per cent. for their spare balances by putting them on deposit with the banks and discount houses. So they are conscious that there is no hurry to rush in to purchase securities on markets of doubtful stability for the sake of earning an extra  $\frac{1}{2}$  per cent. or so per annum over a short period. If in addition to these considerations the possibility of a further rise in the Bank rate—which is being discussed and which, if it occur, will not only react adversely on the Stock Exchange, but will probably increase the allowance, made by bankers on deposits—be also taken into account, the present hesitation of the public to come forward as buyers, can be both understood and approved by the best judges in the financial district.

#### When Tide Turns.

The same considerations, which explain the position investors have taken in relation to the security markets, of course hold good in regard to their attitude towards new capital offerings. Since the beginning of the month loan offerings by Canada alone, in this centre, have aggregated £5,361,900, and of this amount 64 per cent. or about £3,437,000, has been left with the underwriters. Some of the biggest brokers, who were not particularly confident of the chances of these large emissions on the present money market and who, consequently, failed to urge participation in the first instance, are now more inclined to draw attention to the cheapness of the new Dominion scrip, standing at  $\frac{3}{4}$  discount and the Alberta scrip, standing at  $3\frac{1}{4}$  discount, but even now they are not particularly emphatic, and the mere existence of present discounts on quotations demonstrates that their caution has been justified. Nevertheless, balances are undoubtedly accumulating both in London and Paris, and in the latter centre, indeed, funds on deposit with the big credit institutions are estimated to total £200,000,000. When the tide turns, therefore, the buying will probably come with a rush, but whether it will be before the end of the year, or at any rate before the big French national loan and some of the Balkan loan operations have been completed, it is difficult to say.

#### How New Zealand Fared.

The settlement this week on the Stock Exchange has been got through without failure, but not without some difficulty. It was matter for congratulation that the speculative account for a rise was so small in markets generally, for the few "bulls" that did exist had some big differences to pay, particularly in the American railway department and among various Brazilian securities, where heavy declines were recorded during the past fortnightly account. One or two smaller members are known to have received assistance, but no important embarrassments came to light, and it now seems improbable that any defaults will occur. Brazilian securities at the time of writing have taken a moderate turn for the better and are 1 to 3 points over the lowest. This has helped sentiment elsewhere, while the discounts on the various Canadian loans have also begun to dwindle, indicating that the big blocks left with the underwriters are gradually being digested. The partial failure of several Canadian loan operations has been followed by an even worse fiasco in the case of a £3,000,000 4 per cent. New Zealand loan, of which as much as 92 per

cent. has been left with the underwriters. Although this means further sales by underwriters of existing gilt-edged stocks, the Consol market has received the news quite cheerfully, believing that the result will have the effect of checking new capital operations more effectively than ever. The labor situation in South Africa is reported to be anything but settled, but the Transvaal gold output for September was on the whole favorable. The total of gold recovered was 706,186 ozs., valued at £2,999,686. This was a decrease of 21,910 ozs., or £93,068, compared with August, but the daily average production was higher, being 23,540 ozs. for September, against 23,487 ozs. for August. There are satisfactory proofs also that the native labor situation is becoming more normal again, and the seasonable decrease of natives last month showed signs of being checked.

#### Canadian Financing Methods.

The appointment of a receiver is announced for the British Columbian Fisheries Company, which had a total cash capital of about £121,000. The undertaking is a comparatively new one, but it is not controlled by Canadian interests, the chairman being Sir George Doughty, M.P. The receivership has been at the instance of the debentureholders, for whom Sir George Doughty is one of the trustees, and a very disagreeable impression has been created by the fact that in January, when this debenture issue of £40,000 was arranged and a shareholders' meeting held, no mention was made that the company was in serious straits. There is an agitation afoot for a Board of Trade inquiry, and in this connection it may be recorded that the article in a recent number of *The Monetary Times*, calling for fresh methods in financing Canadian ventures has been largely reproduced here and is heartily endorsed.

## CANADIAN MARKET STRONGER YESTERDAY.

(Central News cable to *The Monetary Times*).

London, October 24th.—The general tone of the markets during the past week has been much healthier, and new capital is making a welcome appearance. There are indications that the long attack of financial indigestion is passing off notwithstanding the fact that 48 per cent. of the £2,300,000 St. Petersburg loan remained unsubscribed this week. There are no further big issues immediately pending although China is sounding the quintuple financial group respecting a new loan amounting to £20,000,000.

The tone of the money market is distinctly more confident. Treasury bills amounting to £3,500,000 will be paid for tomorrow, and it is expected that the proceeds will be quickly redisbursed.

The stronger complexion of this week's bank return affords additional evidence of the general improvement which is being manifested.

The stock market is somewhat reactionary after the rebound, but the undertone is good in spite of the critical state of affairs in Mexico, and the fears that the government's land campaign outlined by Chancellor of the Exchequer last night will participate a rush of estate sales and drive much capital abroad.

Canadian industrials are stronger, dealers in Canadian Pacifics being particularly optimistic.

Consols became easier to-day pending the publication of the Bank of England weekly statement.

Home rails sagged and Americans weakened on a drive by the bears encouraged by the decline in the New York market.

Pressure against Mexican railway company issues was resumed this morning and foreigners worked lower. Other sections with the exception of rubbers moved sluggishly with a downward tendency. Rio Tintos shaded  $\frac{3}{8}$  to 77 $\frac{3}{8}$ .

## STEAMSHIP DEBENTURE ISSUE

\*London, October 21.—Arrangements for the debenture issue of Canada Steamship Lines, Limited, are progressing favorably.

\*Montreal Star cable.

# CANADA'S LOANS ATTRACTIVE—LONDON CABLES

(Central News financial cables are exclusive in Canada to *The Monetary Times*. Canadian Associated Press and Montreal Star cables are printed by special arrangement. "The best London cable service of any Canadian financial journal.")

## GRAND TRUNK RATES

### Chairman Calls for Increase—Takes a Slap at Public Criticism

†London, England, October 23.—Presiding at the Grand Trunk meeting Chairman Smithers said from one point of view it was unsatisfactory that, with larger gross receipts, they had been unable to secure a larger profit. The cause was the large increase in wages and the cost of fuel and material. Yet, on the other hand, they had been able to maintain their position and meet charges on capital account.

It is a perpetual fight to maintain the position already won, declared the chairman, and as railway commissions, municipalities, employees and the general public are forever placing extra burdens on railways, or asking more concessions, the fight is a hard one.

Knowing the difficulties, I think our staff deserves credit for what it has accomplished. (Hear, hear).

Mr. Smithers, proceeding, expressed the emphatic opinion that, with all the demands now made on railways, they ought to have increased charges.

All over the world the railways are asked for more service and more accommodation for the same, or less, money.

To hear public men and the general public talk, one would think railway companies consisted of unscrupulous capitalists, whereas they are composed of investors, who throughout the world do not get an average return of 4 per cent.

I fully realize that railways must conform to the law, but I must respectfully submit that more consideration should be given to what they can really afford.

The necessity for higher rates is so urgent and demand so unjust, I cannot believe that the people of Canada and America will long resist it.

There has been a great deal of criticism of Canada, some of it quite just and moderate, some of an unnecessary croaking order.

The fact is that the Dominion has been going through a very trying period for eighteen months, brought about by ten years of extraordinary trade activity, during which new countries had absorbed an unprecedented amount of liquid capital. There had also been a haunting fear that war might involve the bigger powers, which led to hoarding of gold, and the curtailment of credit.

The report submitted was unanimously adopted.

The meeting was entirely harmonious.

## UNDERWRITERS NEED A REST.

†London October 20.—The Daily Chronicle, which has from time to time deprecated prodigal borrowing on the part of colonies other than governments, says that the underwriters here have evidently had enough of it, for they have decided to undertake no fresh issues until the public has disburdened them of a goodly portion of the issues they are now shouldering.

So long as they are given to petty municipalities, and other borrowers, to be prodigal, adds this paper, there can be little hope of any resolute recovery in the gilt edged market.

## MR. PLUMMER IS INVESTIGATING

\*London, October 23.—Mr. J. H. Plummer informs me that he is here in order to follow the latest developments of the iron and steel industry, with help from the company's expert adviser, and proposes to visit English and German steel works.

Asked regarding Dominion Steel finance Mr. Plummer recalled that he came to London last spring hoping to raise the needed additional capital, and found, however, that the market was unpropitious.

It was possible that the matter would be now taken up again, though the prospect was not immediately very hopeful.

\*Montreal Star cable.

†Canadian Associated Press cable.

## CANADIAN LOANS WERE ATTRACTIVE.

(Central News letter to *The Monetary Times*).

London, October 15th.—Among domestic securities, gilt-edged stocks have felt the chief effects of the rush of new emissions, not only from competitive reasons, but because the partial failure of so many loan operations has loaded underwriters, who in order to shoulder their burdens have followed the usual course of selling their most easily marketed securities. It seems as if the outcome of several recent flotations must tend to check the new issue movement before long, unless the investment market wishes to experience a fresh period of indigestion. The indifferent results of various Canadian operations, do not mean that Canadian securities are entering a new phase of unpopularity locally. It means merely that investors continue torpid. Unless London bankers had considered that Canadian loans would prove as attractive as any—perhaps more attractive than any—to the local appetite, they would hardly have been put to the forefront of the present new borrowing movement.

The indisposition of investors to bestir themselves is the more difficult to explain in view of the fresh evidences, which are accumulating that trade all over the country is slowing down.

## CANADIAN SECURITIES QUOTED IN LONDON

\*London, October 21.—Canadian funds in London are quoted as follows:—

British Columbia 3 per cent. registered stocks, 1941, 76-78.

Manitoba stocks, 1950, 91-93.

Newfoundland ins. con., 3½ per cent., 1945, 89-91.

Edmonton, 5 per cent. debentures, 1915-48, 94-97.

Edmonton 4½ per cent. debentures, 1917-49, 92-94.

Montreal permanent 3 per cent. debentures, 66-68.

## ARRANGEMENTS RE CANADA IRON

\*London, Oct. 23rd.—The Globe says: "Arrangements are in progress for the reorganization of the Canada Iron Corporation.

"It is reported that a scheme exists by which first mortgage bondholders have accepted debenture stock which is to be preceded by a first mortgage bond issue to provide fresh working capital.

"The plan is a drastic one, but apparently the directors had no alternative."

## CROPS WILL PAY FARMER'S DEBTS.

\*London, October 20.—Mr. Obed Smith, the Canadian emigration commissioner, in addressing the Passenger Agents' Association last night, set himself to reassure British investors. He said the prairie grain crop alone is computed to pay every dollar that every farmer in Manitoba, Alberta and Saskatchewan owes. What a poor time the emigration officials would have if every business in the Motherland was as well off.

"Winnipeg is actually receiving and handling more wheat per day than Chicago, Milwaukee and Duluth combined, so some people had better turn their sympathy towards these United States centres for they need it more."

Mr. Smith genially chided British editors for publishing "blue ruin letters" from disgruntled emigrants without attempting to verify the facts just because they seemed to be spicy stories against the Dominion. If the truth was desired the editors had better start on the friends in Canada, who had this year invited 42,000 British people to join them there. The Government meant to retain full force, throughout the winter, the guarantee of work for all landworkers and domestic servants. The farmers still needed help. Canada asked nothing from any man except that he succeed there.

FURTHER CABLE NEWS on Page 676.

# SASKATCHEWAN SEEKS FARMERS' LOANING MECCA

## Royal Commission on Agricultural Credit Recommend Establishment of Co-operative Mortgage Association to Raise Funds on Government Guaranteed Bonds

The Royal Commission appointed by the Saskatchewan government to investigate the question of agricultural credit has presented an unanimous report, being signed by the three commissioners, Messrs. J. H. Haslam, C. A. Dunning and Dr. E. H. Oliver. The Commission recommends the formation of a co-operative mortgage association which will raise funds on mortgage bonds to be guaranteed by the Provincial government. Loans will be made at a rate sufficient to cover expenses and allow for a reserve.

The chief recommendations of the Commission are as follow:—

1. That, inasmuch as in the experience of older communities cheaper agricultural credit is invariably associated intimately with other phases of agricultural co-operation, such additional legislation to be enacted by the legislature and information and guidance provided by the government as will facilitate on the part of the farmers of the province the establishment upon a sound basis of a system of local and central rural co-operative societies for purchasing and selling farm products and supplies

### Formation of Mortgage Association.

2. That legislation be enacted to provide for the establishment of a Co-operative Mortgage Association for the raising of funds on mortgage bonds and the granting of loans to farmers on mortgage security for approved agricultural productive or improvement purposes only, such legislation to embody the features hereinafter mentioned.

3. That the association be known as the Saskatchewan Co-operative Farm Mortgage Association, and consist of a central commission, an advisory board, local associations, individual members, and an annual general meeting.

4. That the central commission consist of at least three members clothed with the necessary authority as the Executive body of the Association:—

- (a) At the outset the government to appoint all members;
- (b) One of the members to devote his whole time to the work of the association as managing commissioner and to be the only salaried member of the commission;
- (c) As the association acquires financial standing and is able to dispense with the provincial guarantee in the marketing of its securities, the selection of commissioners to be gradually transferred to the association acting through its annual general meeting.

5. That an Advisory Board of fifteen members be created to act in an advisory capacity in relation to the commission; the members to be appointed part by the association acting through its annual general meeting, and the remainder by such organizations and institutions in the province as exist to promote agricultural betterment.

### Conditions of Membership.

6. That the individual members be borrowers admitted by vote of the local association into its membership, approved mutually and by the central commission, and who have paid the initial entrance fee of \$10.

7. That each local association consist of at least ten members with a combined mortgage loan of at least \$5,000, united on the basis of joint and several liability, formed by mutual consent and with each member approved by the central commission.

8. That the annual general meeting consist of representatives, one from each local association.

9. That the first general meeting be not summoned and loans to individuals be not made until at least 25 local associations have been formed as provided in section 7 by the central commission.

10. That the liability of the individual member, whether as member of the Saskatchewan Co-operative Farm Mortgage Association, in respect of any obligation incurred or losses suffered or in any other respect whatever be limited to an amount not more than fifty per cent. greater than the amount of his loan.

11. That the liability of the several local associations to the Saskatchewan Co-operative Farm Mortgage Association be in the ratio of the aggregates of the mortgage loans of the members composing such associations.

### Loan on Amortization Plan.

12. That all mortgage loans be issued on an amortization basis to cover a period of not less than 15, and not more than 35 years, with the option reserved to the borrower, upon three months' notice being given or a bonus of three months' interest being paid, of paying the whole or any part of the balance due in excess of the stipulated payment on any regular day of payment before the final; always provided that payments in excess of the regular payment shall not release the borrower of his obligation to meet promptly his subsequent consecutive annual payments until the amount of his indebtedness has been discharged.

13. That the funds required by the association for loans to its members be raised on mortgage bonds issued by the association and fully guaranteed by the provincial government, the amount of such government guaranteed bonds to be determined annually by agreement between the provincial government and the association.

### Rate of Interest.

14. That the association advance its funds to the borrower at a rate of interest which will include only the cost to the association of the money itself, the expenses of administration, and provision for the creation of a reserve fund to provide such security and guarantee for the future issue of mortgage bonds as will in the course of time render government guarantees unnecessary and place the association upon a purely self-supporting basis.

15. That loans be limited to 40 per cent. of the central commission's valuation of the property to be mortgaged.

16. That the provincial government make a grant of not less than \$10,000 towards the expense of organizing the Saskatchewan Co-operative Farm Mortgage Association, and also pay the salary of the managing commissioner for at least three years.

17. That the Saskatchewan Co-operative Farm Mortgage Association establish as soon after its foundation as is feasible a bank, with headquarters within the province, to conduct a regular banking business, both through branches of its own, and wherever possible, with and through the locals and officers of the association:

(a) Such assistance to be rendered by the provincial government at the time of the establishment of such bank as will enable the Saskatchewan Co-operative Farm Mortgage Association to control it in the interests of the agricultural industry.

### Long and Short-Term Mortgages.

The commissioners' lengthy report states that the unavoidable uncertainties of farming and marketing frequently render prompt payment difficult if not impossible, but it is also stated that when delays do occur, many farmers fail to notify the company. Interest payments are usually met the year they fall due, payments on principal are seldom pressed for, and renewal of the mortgage is made easy.

"In fact," says the report, "the present system of payments seems designed to render renewal necessary and debt perpetual. With the final payment so large the borrower can seldom meet it out of the current year's income. The mortgage is not only renewed; the amount of the loan is very frequently increased.

"These features of our mortgage system are reprehensible. The mortgage is not calculated to develop business habits nor promptness. It is a document that places the farmer, from the beginning, in an impossible situation.

### Some Mortgage Statistics.

"During the period of fifteen months ended August 15th, 1913, there were no less than 1,723 sale and mortgage proceedings under mortgage in this province. It should be pointed out that the returns given above are not quite complete. Probably not less than 2 per cent. of the farmers of Saskatchewan were subjected to these proceedings under the conditions that obtained in this period. Of the mortgages in connection with these proceedings 150, or 8.7 per cent., bore an interest rate less than 8 per cent. But 435, or over 25 per cent., a rate of 10 per cent., or higher; 35 a rate of 12 per cent., or higher; and 3 a rate of 15 per cent. And these mortgages were placed at these rates before the present upward trend in interest rates occurred.

"The purposes for which loans on mortgages are granted may be enumerated:—

1. To consolidate past debts.
2. For machinery. In this matter there has been considerable overstocking, due, as one farmer stated, to the "science of salesmanship."
3. For stock.
4. For building and general equipment.
5. To provide working capital.
6. To buy more land.
7. To "finance trips east" or similar purposes.

### What is Said of the Banks.

"In appreciating the banking situation in this province it is fair to consider not only the complaints against the banks, but, as well, the services which they have rendered:—

1. Services rendered by the banks.
  - (a) Until recently they have in general afforded an abundance of credit;
  - (b) They have pushed out into the smaller places and granted credit facilities when the amount of business to be secured immediately did not yield a profit;
  - (c) They have exerted an educative influence upon the business habits of the community and inculcated the virtue of promptness.
2. Complaints against the banks:—
  - (a) They have frequently sought to dominate the policy of those businesses to which they have advanced credit;
  - (b) They have sought rather to pay dividends and to support expensive edifices than to afford credit to customers at reasonable rates;
  - (c) They are not controlled within the province and in a time of stress when credit facilities are most required, the banks withdraw them from the western provinces;
  - (d) Their charges for transferring funds are unreasonably high;
  - (e) The rate of interest on loans is unnecessarily large;
  - (f) The interest allowed on deposits is too low;
  - (g) Their sympathies lie rather with the commercial than with the agricultural class.

### Debts of the Farmer.

"There is no doubt that the largest factor in the indebtedness of Saskatchewan farmers is the amount which is due to mortgage companies. A conservative estimate would place this in the neighborhood of \$65,000,000. For the next largest amount implement companies are responsible. We are certain from evidence submitted confidentially to the commission by only a limited number of branch offices that the total indebtedness of farmers to merely six branch offices is \$15,166,726.68. It is not improbable that at present between \$35,000,000 and \$40,000,000 is outstanding for machinery. The amount owing on agreements of sale for land is very considerable. To one company the farmers of this province owe \$5,770,000 and to another \$3,622,920.45. The amount due for pre-emptions, for horses, for store credit, lumber, bank credit and for miscellaneous debts, together with that due for the purchase of land is not less than \$50,000,000.

"The farmers of Saskatchewan are paying interest on at least \$100,000,000. If this is the case then their agricultural credit is costing them \$12,000,000 annually. The saving of only 1 per cent. in interest would mean the saving to the farming industry of over \$1,500,000 per year. If farmers could secure money at a rate as much as 2 per cent. cheaper than at present they could, by making their payments on the amortization plan, discharge their total indebtedness in about 24 years' time by simply

continuing to pay what they are now paying for interest. And this would be abundantly worth while.

#### Debt Per Acre.

"From the above estimate it can be clearly perceived that the average indebtedness of our farmers is, perhaps, \$1,500. The average farm of the province consists of about 295 acres. Thus the indebtedness of the farmers is slightly in excess of five dollars per acre of land under occupation at the present time. The average farm has gathered about its assets in the shape of buildings, stock, implements and grain."

#### Of Systems Abroad.

Of the systems abroad the report says:—

1. There is in all European countries a frank and universal recognition of the supreme importance of agriculture as an industry, as shown by:

(a) Government co-operation in: 1. Education; 2. Facilitating credit; 3. Promoting co-operative institutions for production and distribution of products; 4. Supervision of processes; 5. Application of scientific knowledge.

(b) Sympathetic attitude of urban communities toward agriculture.

(c) Active participation in agricultural affairs on the part of public spirited citizens and national leaders.

2. Co-operation in everything that affects agriculture has advanced beyond the theoretical into the practical stage.

#### Benefits of Co-operation.

3. Co-operation has conferred enormous benefits upon the rural communities of Europe by: (a) Stimulating production; (b) Increasing the area under production; (c) Improving the price of products; (d) Opening up markets; (e) Cheapening the cost of farm necessities; (f) Reducing the expenses of transportation; (g) Finishing the products of the soil on the farm; (h) Use of live stock in the utilization of roughages of the farm and the return to the soil of natural manures; (i) Putting farming on a business basis, (1) By providing credit, (2) By systematizing business organization; (j) Stimulating scientific agriculture; (k) Preventing frauds and deceptions in the purchase of raw materials; (l) Improving breeds of animals and plants, 1. By community breeding and cow testing associations, 2. Seed selection and distribution.

4. By organization farmers have been able to provide a security which has attracted loans at favorable rates.

5. Agricultural security has been based upon (a) Mortgage upon the amortization scheme covering a considerable period of time and at reasonable rates; (b) Personal credit associated with (1) Collateral, (2) Endorsements.

#### Attraction of Local Deposits.

6. By attracting local deposits to co-operative credit associations the resources of local communities have been made available in the first instance for local purposes.

7. The securities based upon land credit have been in the main less susceptible to the fluctuations of the money market than other securities.

8. Though in various places the nominal rate of interest is as low as 3 per cent., 3½ per cent., and 4 per cent., yet the market value of bonds is such that the present borrower is forced to pay an actual rate considerably in excess of this.

9. A system of registration of land titles similar to the Torrens system is of basic importance in securing agricultural credit.

10. Every effort is made to dispose of the bonds locally.

11. The face value of the bonds outstanding in no case exceeds the net value of the mortgages held and frequently withdrawal rights are inserted in the bonds.

#### For Better Agricultural Credit.

The commission analyses the possible methods by which better agricultural credit may be secured in Saskatchewan. These ways are three in number, viz., through institutions strictly co-operative and partly governmental.

Whichever method were employed the commission lays down three principles that should govern, and then proceeds to a discussion of the pros and cons of the three plans. The principles are:

1. That loans be provided to farmers only upon unquestioned security and for approved agricultural productive or improvement purposes only.

2. That provision be made for repayment upon the amortization plan.

3. That the aim should be to render a service to the borrower and not to secure a profit to the institution.

Before passing to an outline of the solution of the question in the light of existing conditions the report enumerates and discusses the economic problems of Saskatchewan. They are stated to be as follows:

#### Some Economic Problems.

1. The dependence of our economic life upon outsiders.

2. Our location in relation to the export market for our principal farm products.

3. The lack of cohesiveness in our rural life.

4. The primitiveness of market arrangements for products other than grain and dairy products.

5. The absence of concerted action in the sale of products other than these.

6. The lack of even collective action in the purchase of farm supplies.

7. Too exclusive devotion to grain growing.

8. The tendency towards extravagance, especially in the purchase of implements, land and expensive sources of power.

9. Relatively high rates of interest and short terms for mortgage and personal loans.

10. The large amount of credit associated with the purchase of agricultural implements and farm supplies.

11. The attractions in the past of real estate speculation in urban communities.

12. The lack of social atmosphere in rural districts.

13. The enforced idleness during winter months in localities where only grain is grown.

#### As the Years Pass By.

"For much of this we have no remedy. We cannot alter the facts of geography nor amend those handicaps which arise from physical conditions. It is not possible to bring this province nearer to the Great Lakes, though much may be gained from the route to Hudson Bay, and something from the Panama Canal. The tariff as such is a matter for the whole Dominion. We cannot so long as we remain comparatively undeveloped build up those great reserves of funds which come from thrift, and which make cheap credit possible. But there is something that can be achieved. By concerted action and intelligent marketing we can eliminate at least some transportation charges, and we can outline a rural policy that will broaden and deepen as the years pass by."

#### Advantages of Co-operation.

The chief advantages of co-operation as applied to agriculture may be briefly summarized:

1. Economies due to handling goods on a large scale, both in buying and selling.

2. The elimination of multitudes of non-productive middlemen.

3. Protection against adulteration and inferior articles and implements.

4. A more intelligent study of market conditions and arrangements.

5. Co-operation develops responsibility in private and public life, makes for education in good citizenship and trains men to act with prudence.

6. Co-operation produces a more cohesive rural social life.

#### Fostering Local Financial Institutions.

The commission states that the following features are characteristic of financial institutions which at present exist within the province:

1. With two or three unimportant exceptions, they are not controlled within the province.

2. Being associations or lenders whose primary object is to secure profits, their interests in the final analysis are different from those of the borrowers.

3. The extremely low rate of interest allowed on deposits does not afford an inducement for people to save or to invest.

4. The great bulk of the funds used within the province is derived from sources outside the province.

5. The same institutions do not furnish mortgage and personal credit.

#### Features to be Sought.

The following features should be characteristic of those financial institutions, says the report, the primary object of which is public service:

1. They should seek to serve both borrowers and lenders alike. Associations of borrowers grouped together to furnish the most ample security, and who stand collectively liable, would have as their first duty to keep the lenders safe, and as their primary object to secure credit cheaply.

2. Profits should be reduced to a minimum, only sufficient to cover expenses of administration and to build up the necessary reserve fund.

3. They should allow sufficient interest on deposits to encourage thrift and to induce people to invest safely.

4. Though for a considerable time in the future the great bulk of the funds used within the province must be derived from sources outside the province, they should constantly aim to place the financial resources of our districts and our province, however meagre to begin with, primarily at the services of these districts and this province.

5. Though different institutions furnish mortgage and personal credit they should operate harmoniously and sympathetically.

## MISCELLANEOUS INSURANCE IN CANADA

Insurance business other than fire or life was carried on in Canada during 1912 by fifty-eight companies: 20 Canadian, 13 British and 25 United States. Nineteen of these companies likewise transacted fire insurance. In addition to these fifty-eight companies, there were five fraternal orders or societies which carried on sickness insurance, and also life insurance.

Of the twenty Canadian companies which carried on business other than fire or life, seventeen transacted miscellaneous classes of business only. Of these, eleven transacted sickness insurance; ten, accident insurance; five, plate glass insurance; seven, guarantee insurance; two, automobile insurance; three, steam boiler insurance; three, burglary insurance; one, weather insurance; one, live stock insurance, and one, title insurance.

At the end of the year the assets of these combined companies amounted to \$6,406,521.42.

Their total liabilities amounted to \$1,617,246.59, made up as follows:—

Unsettled losses, \$374,458.03; reserve of unearned premiums, \$1,088,910.98; sundry, \$153,877.58; total, \$1,617,246.59.

## CANADA PAYING PROMPTLY

"When I addressed you last year I laid stress upon the satisfactory nature of the company's loans, and I am able to say that, notwithstanding the money stringency that has prevailed in Canada during the past year the payments of interest and instalments of principal have been generally met with punctuality," said Mr. J. G. Colmer, C.M.G., chairman to the sixth annual general meeting of the Western Canada Investment Company, of London, held in London, England, recently.

Under the provisions of South Vancouver's new fire prevention and inspection by-law the fire chief and the police chief are authorized to take such measures as are necessary to prevent the spread of fires when a serious conflagration menaces the municipality and to exercise care and caution in the prevention of fires. The fire chief is authorized to operate an inspection bureau for investigating premises where an outbreak of fire is likely, and to advise the owners or lessees of those premises of the precautionary measures needed.

## SASKATCHEWAN LAND BANK'S BONDS

### Analysis of the Market for Such Securities—Some Important Considerations for the Promoters

BY H. M. P. ECKARDT.

The parties who are promoting the Saskatchewan Land Mortgage Credit Association expect, apparently, that the bonds issued by the association will have a better market in London than the bonds issued by any other Canadian corporation. In an article published by the London Financial Times on September 18th, 1913, reference is made to their claims to the effect that "if they had the machinery which the Canadian Pacific Railway has for borrowing money, or as good a system of a different character, they could borrow at a lower rate than the Canadian Pacific Railway." There will be a marked disposition in expert financial circles to doubt this statement. The Canadian Pacific borrows cheaply, for one reason, because of its record and reputation—it is not altogether a matter of possessing good machinery for floating debentures and stocks.

#### What the Promoters Ask.

What the promoters ask from the provincial government is put under four heads. They ask for legislation arranging for the formation of the credit associations; for a small sum of money for organization purposes; for government supervision of the issuing of the bonds; and, last but not least, for the government's endorsement and guarantee of the bonds. In order to arrive at a satisfactory idea as to the market which these bonds will command, it is necessary to discuss their character and to take account also of the volume or amount that may be issued.

In brief the plan is to form associations of farmers in the various districts of the province. Every farmer who joins a local association of this kind is to be responsible for the borrowings of his fellow members. Of course, it is presumed that the officers of the local association will be careful to grant loans only to farmers who will carry out the obligation to pay. But the officers may not, and in case of a newly-settled region like Saskatchewan, it is reasonably certain that they will not, be able to confine the loans to good borrowers only. So there is foreshadowed an annual loss which must be covered by a special annual charge on the members.

#### Pledge for Total Debt.

If the membership of an association is not large and its officers make serious mistakes in lending, the consequences might be very disagreeable for all who join it. Thus each borrower is required to pledge his possessions, not only for his own debt, but for the total debt of the local association with which he is affiliated. In all probability, the successful farmer, able to stand on his own feet and make progress, would rather continue to deal with the loan companies and the banks, even at a little higher cost, than go into a scheme like that. So it is necessary to take account of the possibility that in each local association the members would consist largely of the weaker or poorer farmers, and if that turned out to be the case the chances are that the movement would not be very successful.

#### Pay Off Existing Mortgages.

In any event the bonds issued by a small local association of this kind would not perhaps command a very good market in London or elsewhere, even if guaranteed by the province. In order to have the bonds issued by associations of this kind come on the market under the best auspices, it would be necessary to have the local associations united by means of a central association which would undertake the work of issuing the bonds and through which the liability for the bonds would be spread in every case over all the local associations.

So, let us assume that the bonds would thus be covered generally by the property of all the members of all the local associations and also that they bear the guarantee of the provincial government. We then arrive face to face with the question what would be the probable volume of the bonds issued or put in circulation? As the farmer, in order to be able to borrow from the local association, must pledge his land, it follows that he would have to pay off his existing mortgages. So the first effect of the scheme, if it goes into operation, would naturally be to replace the existing 7 per cent., 8 per cent. and 9 per cent. mortgages with new mortgages to the association at a lower rate. This promises to be a large operation. It is impossible to discover the aggregate amount of the farm mortgages current in Saskatchewan, but it must be enormous.

On page 503 of its issue of September 20th, 1913, *The Monetary Times* gave a list of trust and loan companies which, during 1912, invested over \$61,000,000 in that pro-

vince. Of course, a large part of this would not be farm mortgages, but no doubt a good many are included; and as the figures represent only one year's investment and take no account of the mortgage loans made by life insurance companies and private individuals, the total, if it could be ascertained, would be a great deal larger.

#### Estimates of Loans.

Saskatchewan comprises 155,000,000 acres of land, of which about one-twelfth is under cultivation; and new land is being taken up at the rate of about 1,000,000 acres per annum. If the proposed land bank is to serve all comers, it would have to provide, not only for the large existing indebtedness, but also for a large list of new applications each year. As the homesteading, etc., has been going on for some years, it is probably right to say that 1,000,000 additional acres each year would be available as security for mortgage loans. If past experience is any guide, there would be applications from the owners of at least half this land at say \$10 an acre. This would mean an additional \$5,000,000 per year and the figure is probably too low.

These figures indicate that the volume of bonds to be issued by the association would be very large indeed—that is if the farmers of the province generally joined the movement for cheap loans. In London, where the principal market must necessarily be, they would be taken as practically direct obligations of the provincial government. They would be considered in conjunction with the large issues of railway bonds now current with the government's guarantee or endorsement, and with the direct loans negotiated by the province for other purposes. Also, the attitude of the London financiers would be governed to some extent by the information they had as to the class of farmers joining the association.

#### Value of Provincial Guarantee.

If the best farmers joined, the bond issues would have better credit, but if the associations were comprised principally of weak and heavily encumbered members, even the provincial guarantee would not induce London to take the bonds in substantial amounts. Under any circumstances, it is not likely that the market would be ready to put up many millions of dollars for this purpose, until the scheme had been proved successful in operation. Under conditions such as have prevailed during the greater part of 1913, it is likely that there would be much difficulty in inducing London to provide any considerable amount of cash.

A large increase in Saskatchewan's borrowings must necessarily operate to raise the rate of interest which the province must pay; and there is the question whether the rate on the bonds would not have to go to 5 or 5½ per cent., after the amount issued had reached certain proportions. If the rate on the bonds got too high, when the expenses of the associations, and the losses from bad loans were added thereto, the cost of borrowing in that manner would be so high as to threaten the success of the whole scheme.

## PACKING APPLES AND PEARS

The price received for an article depends much on the manner in which it is presented for sale. This has become especially true in regard to food products, whether offered in the natural or manufactured state. Fruit-growers have recognized this change in public taste, and have, during recent years, greatly improved their methods of putting up fresh products. Reputable apple-growers no longer think of marketing their products in second-hand barrels or boxes, or those that are soiled or clumsily made. It is regarded important not only that the packages suggest contents of fine quality, but that when opened the fruit shall present an undamaged and otherwise attractive appearance.

The packing of fruit in barrels and boxes involves a few general principles, easily mastered in the case of barrel-packing, but more difficult when box-packing is concerned. In the opinion of Mr. Alex. McNeil, Chief of the Fruit Division at Ottawa, it is not too much to expect that a season's practice will make a fair box-packer, working on right principles. To teach just how the packing of apples and pears in barrels and boxes should be done, Mr. McNeil has prepared an illustrated pamphlet on the subject, which is designated Bulletin No. 34 of the Dairy and Cold Storage Commission's Series. In his letter of transmission, Mr. J. A. Ruddick, the Dairy and Cold Storage Commissioner, points out that this work contains a large amount of new material, setting forth the more recent developments in fruit packing. The book constitutes an exhaustive treatise of sixty-seven pages, showing many helpful illustrations. It is published for free distribution to all who apply for it to the Publications Branch of the Department of Agriculture at Ottawa.

The Traders' Building Association has increased its capital stock from \$600,000 to \$1,205,000.



## SEND SHINGLES TO STATES

## BEEF, MILK AND HOGS

Pacific Coast Lumbermen's Views of Tariff—Railway  
From British Columbia to AlaskaThey Are Produced in Large Quantity Around Edmonton,  
Benefiting Farmers and Community Generally

(Staff Correspondence.)

(Special Correspondence.)

Vancouver, September 20th.

Edmonton, Alta, October 20th.

Lumbermen and timber owners on the Pacific coast do not think the removal of the import duty on lumber going into the United States will benefit British Columbia manufacturers, particularly as far as fir lumber is concerned. For some years, the United States millman has not only been able to supply his own market, but has shipped the surplus into Canada. Shingles, though, have been shipped from British Columbia to the United States, even when there was a big duty, and it is reasonable to suppose that this business will increase. The reason is that a better quality is manufactured here. Cedar finishing material may also be in demand, because cedar is becoming a scarce article on the other side of the line. Some dealers also report that users of Georgia pine are turning their attention to British Columbia fir. There is also a tendency on the part of American manufacturers to wait until after the next presidential election before taking any decided step toward establishing plants on this side of the line, which would ship to the United States on the basis of the new tariff. They point out that the Democrats got in not by a majority of votes, but by a split in the opposing party, and the change may not last. If it did last, the probability is that Americans would invest more largely than ever in timber here and build mills. Present conditions are such that noticeable improvement is not expected in less than six months, while some state that it will be quite a considerable time before the market again becomes normal.

## Railway to North of Province.

Development of Northern British Columbia has been discussed much more of late. Sir Richard McBride aims to have a railway through from the southern part of British Columbia to Alaska, and the probability is it may come. The White Pass and Yukon proposes an aggressive expansion policy, which will include the establishment of a line of steamers to run between Alaska and Puget Sound and Canadian ports, and also to have rail connection with the Chicago, Milwaukee and Puget Sound line, via the Pacific Great Eastern. Mr. O. L. Dickeson, president of the White Pass and Yukon, was on the coast this week, and said the company should have had these connections when the lower Yukon River started to develop. He does not regard it as too late yet, because an era of substantial permanent development is started in the north.

The establishment of an all-rail connection with the north will be of much benefit to British Columbia, and when it is completed, will give this province an excellent system of transportation. The Pacific Great Eastern is making a good beginning at North Vancouver, and construction on the north shore will add greatly to the activity there.

## Activities of Boards of Trade.

The Vancouver board of trade has taken up the proposition of having the time advanced one hour for the summer months, so as to take advantage of the daylight in recreation weather. It has passed a resolution that the standard time be advanced one hour from the first Sunday in April to the third Sunday in October, and other boards will be asked to co-operate.

The Canadian Credit's Men Association is seeking the co-operation of boards of trade in British Columbia in securing uniform legislation throughout the Dominion in regard to assignments, bankruptcy and kindred matters.

Incorporation is being sought for a Chinese Import and Export Merchants Board of Trade for Vancouver. Considerable business is done between Vancouver Chinese and China, and it is pointed out that correspondence between the source of supply of the goods and the merchants in Canada, is in the Chinese language and consequently is not understood by the members of the existing board of trade.

The shareholders of the British Guiana Bank, at a meeting held at Georgetown, Demerara, decided to accept the offer made by the Royal Bank of Canada to purchase the assets and business of that bank. The British Guiana Bank, which has been established since 1836, has branches at Georgetown, Demerara and New Amsterdam, Berbice. The capital of the bank is \$926,520; reserve and undivided profits, \$282,475.37; total assets, \$3,680,000. Mr. John B. Laing, managing director of the British Guiana Bank, will be manager of the British Guiana business of the Royal Bank, and the staff of the British Guiana Bank will be retained by the Royal Bank.

Business conditions continue to be fairly satisfactory and available information appears to qualify the prediction made earlier in the year, that notwithstanding the much talked-of financial stringency, there was no cause for uneasiness in regard to trade throughout the territory commercially tributary to Edmonton.

Wholesalers and other shipping houses uniformly report increased volume of business, and reasonably satisfactory conditions as to credits. This would appear to be borne out by such statistics as are available. Notwithstanding the practical elimination of real estate speculation, Edmonton's bank clearings for the nine months show a slight increase over last year, the figures being, 1912, \$153,491,432; 1913, \$157,019,297. Custom house collections show \$1,514,657, as against \$1,098,834 for the corresponding period of 1912, or an increase of 38 per cent.

The healthy condition of business indicated by these figures in the face of a money stringency and general tendency towards retrenchment regarding expenditures and extensions, is no doubt accounted for by the generally prosperous conditions throughout the territory from which Edmonton draws trade.

## Farmers are Wise.

Farmers almost without exception are engaged in mixed farming and are not dependent to any very great extent on wheat growing. Besides grain, they are producing beef, milk and hogs, and their shipments of these products have shown marked increases over previous seasons and prices have been good. In consequence country merchants have found farmers in a position to spend rather more money than has been usual during the summer and fall.

Building activities in the city have fallen off to some extent as compared with last season. This is directly attributable to the lightness of the money market, many projects having been abandoned or deferred owing to the difficulty of arranging loans on satisfactory terms. It has also largely eliminated speculative building. Nevertheless the season has been an active one, and a very large amount of building has been done or is now under construction.

## Inspector Issues Many Permits.

For the nine months the city building inspector has issued 2,765 permits for buildings estimated to cost \$8,261,175, almost a million a month. Included in this are 1,337 residences aggregating \$2,796,350. No "shacks" are included in this return, these appearing under the heading "small buildings and alterations," for which 906 permits aggregating \$477,995 were issued.

The returns also include 18 educational buildings, \$899,500; seven churches, \$230,000; five hospital buildings and additions, \$405,000; 29 warehouses, \$548,550; 131 store buildings, \$691,975; 10 office buildings, \$874,500; and 18 apartment buildings and rooming houses, \$238,000.

At the present time building operations are active, there being a rush of construction towards the close of the season.

The indications are that when returns begin to come in from the magnificent crop now safely harvested and rapidly being threshed, additional impetus will be given to business.—F.T.F.

## FOUR NEW VILLAGES

Saskatchewan's villages are many, the following being the latest added to the roll:—

The village of Abbey is another addition to the rapidly lengthening list of villages along the line of the Canadian Pacific Railway extending north-west from Swift Current.

The village of Lafleche is a new community which has recently sprung up in the hitherto rather sparsely settled country lying south-west of Moose Jaw, near Gravelbourg.

Prussia is a new village situated on the Canadian Pacific Railway line running from Swift Current to Bassano.

The village of Wiseton is situated on the new branch line of the Canadian Northern Railway, which runs between the South Saskatchewan River and the Goose Lake line in a westerly direction. The coming of the railway to this fine district must prove itself a genuine relief to the settlers over a large area.

The Grand Trunk Pacific Railway will augment the coastal service between Prince Rupert and the Pacific coast cities as soon as conditions are favorable.

## DOES MUNICIPAL OWNERSHIP BENEFIT TAXPAYERS?

### Some Bookkeeping Tricks Indicated—Actual Results Obtained Are Difficult to Secure

Americans hear a great deal of the alleged "triumphs" of public ownership in England and Scotland; they hear next to nothing of its failures. Nor are they aware how often an apparent "profit" earned by a municipal venture and ostentatiously ear-marked for "the relief of the rates" is really only arrived at by charging a totally insufficient sum to the depreciation, reserve and renewal accounts and by omitting many expenses that would find a place in every private corporation's balance sheet.

When the London County Council, for instance, went into the street-car transportation business, it found itself obliged to widen and improve the existing thoroughfares. On this work, necessitated entirely by its plunge into what has turned out to be a very hazardous form of municipal trading, it spent over \$20,000,000; but considerably less than one-tenth of this sum was debited to the street-car service, on whose behalf it had been disbursed. That is a fine sample of the bookkeeping devices to which public bodies are impelled to resort by their eagerness to show that their undertakings "pay." Thus writes Mr. Sydney Brooks, the well-known English publicist in the October issue of "Concerning Municipal Ownership." Office, clerical and legal expenses again are rarely, if ever, apportioned to the enterprises that incur them; the plants and property owned by municipalities have been proved in case after case to be more leniently assessed than if they were in private hands; and instances are not known in which the authorities in control of municipal gas works or electric lighting plants have turned a loss into a "profit" by excessive charges for lighting the streets and municipal offices.

#### Difficult Matter to Get Facts.

But there is another and a much greater deduction to be made from the statistical "profits" earned by public ownership. It is this. When a municipality purchases a public utility from a private company and runs itself, it automatically surrenders the rental which the private company had agreed to pay into the local exchequer. But this item never by any chance appears in the municipal accounts. What the municipality gains by owning and managing the utility is made the most of and is often, as I have said, illegitimately inflated; what it loses and forgoes is not mentioned or allowed for at all. It is just as though a landlord, who suddenly decided to live in a house he had previously leased to some one else, were to omit from his calculations of income and expenses all reference to the rent he used to receive.

Thus, it is a matter of extraordinary difficulty to get at the real facts about the financial results of municipal trading. Unquestionably the paper "profits" are partly and probably considerably fictitious. But just how far they ought to be scaled down to determine the exact state of affairs, nobody in Great Britain can say.

#### Profits Reach a Maximum of Four Per Cent.

Even, however, if the figures are accepted at their face value, inquiry has demonstrated (1) that the policy of municipal ownership of "reproductive" undertakings earns not more than 4 per cent. on the capital outlay; (2) that out of this, interest charges have to be met and a sinking fund provided for; (3) that the balance left over for the relief of local taxation is less than one-tenth of the gross profits; and (4) that even when the initial debt is extinguished, the municipalities will no more be able to annex all the profits than a private corporation is able to pay out the whole of its surplus earnings in dividends.

And these conclusions, remember, are reached by taking the figures simply as they appear in the municipal balance sheets, by not subjecting them to any of the deductions I have touched on, and by leaving out of account the extra taxation which experiments in municipal trading have always been found to entail. If these factors were brought into the reckoning, as, of course, they ought to be, the net result would in all probability be to show that public ownership in Great Britain, considered as a whole, is about as near to being a commercial failure as a commercial success, and certainly that its many disadvantages in other respects cannot be condoned on the score that it is financially profitable.

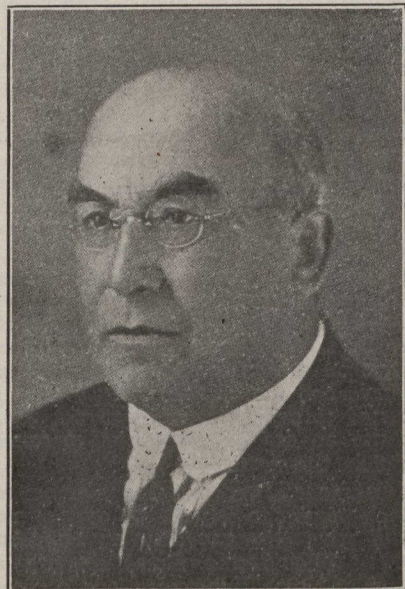
#### Taxpayers do not get Benefits.

Americans, who are used to having paraded before them and quoted at them the "profits" that Birmingham or Glasgow or Manchester are making out of this utility and that, and who may have deluded themselves into the idea that municipal ownership is an infallible money-making device which any one can handle, will probably receive a certain

scepticism the conclusion I have thus roughly summarized. It represents none the less the exact truth of the case as far as it can be ascertained. In special cases and under certain and rather exceptional conditions—conditions, at any rate, that do not obtain in the United States—the municipal ownership and operation of a particular utility have been made in Great Britain to yield a profit, which, though decidedly smaller than the artifices of municipal bookkeeping make it appear, is probably a genuine profit. But there are a number of British municipal undertakings, that lose money instead of making it—a recent parliamentary paper instances thirteen important towns in which out of 77 municipal enterprises only 28 even pretend to make a profit—and, when surveyed as a whole, the policy of taking public utilities out of private hands and vesting their possession in the community and their management in elected political bodies, has produced, even in the favorable circumstances of Great Britain, no such financial benefits to the taxpayers as its advocates maintain.

### JOHNSON GOES TO GREAT WEST LIFE

When the Winnipeg delegation were travelling to the Life Underwriters' Convention at Ottawa they were mystified as to who was a traveller from Calgary—short, stout, calm, with an attractive personality—who dared to criticize Canadian Pacific Railway beefsteak, and who made some crisp remarks when the train was unduly delayed. Later, it transpired that the Calgary man was going to the convention, too. He was Mr. J. A. Johnson, for twenty-six years with



J. A. JOHNSON

#### Appointed British Columbia Manager of the Great West Life

the Mutual Life, of New York. At Ottawa, in August, the underwriters elected him as vice-president of their association. Mr. Johnson has now been appointed manager for the Great West Life for the mainland of British Columbia.

Although born in the maritime provinces, he is an enthusiastic westerner. His appeal, at the underwriters' convention, that Calgary should have the next gathering was eloquent and witty, and indelibly marked him as an orator of no mean ability.

Mr. Johnson was born January 1st, 1861, in Pictou County, Nova Scotia. He joined the Mutual, of New York, in 1887 as joint general manager with Mr. J. W. Fitzpatrick for the State of Maine. After two years the company sent him to establish its first general agency in Florida, where he stayed two more years, being later appointed manager for the State of Colorado. He was then transferred to take charge of the Halifax office, covering the maritime provinces and Newfoundland. He remained there until January 1st, 1911, a period of eighteen years, during which time he served as a member of the Halifax city council, was deputy mayor for three years, and president of the Halifax board of trade for two years. Since January 1st, 1911, he has been at Calgary.

He has many friends who will wish him well in his new position.

"Certainly Montreal is leading the world in developing a harbor." These words are from a letter of Mr. George E. Marcy, president of the Armour Grain Company, of Chicago, to the Montreal Harbor Commissioners.

**GOVERNMENT WATCHES 175 INSURANCE COMPANIES**

**Eighty of These Write Fire and Fifty-Nine Life Business —Protection of Policyholders**

There are 175 companies under the supervision of the Department of Insurance at Ottawa. The nature of the business transacted by them is as follows:—

Companies transacting insurance.	No.
Life	59
Life, assessment plan	4
Fire	80
Accident	29
Guarantee	17
Steam boiler	8
Plate glass	19
Burglary	9
Registered mail, etc.	10
Sickness	31
Title	1
Tornado	12
Live stock	2
Weather and hail	3
Automobile	14
Sprinkler leakage	4
Fly wheel, lightning, explosion, etc.	2

**Securities Held by Receiver-General.**

The deposits for the protection of policyholders, held by the Receiver-General in trust for these companies, at May 31, 1913, amounted to \$69,779,232.23, in securities as follows:

Securities.	Amount.
Canadian government	\$ 2,004,113.67
Canadian provincial	6,955,942.88
British government	1,306,096.53
British colonial	1,458,675.21
United States bonds	390,000.00
New York State bonds	454,000.00
Massachusetts bonds	1,985,000.00
Rhode Island bonds	100,000.00
California State bonds	45,000.00
Japanese government bonds	35,971.33
Belgian government bonds	164,320.20
Montreal harbor bonds	560,000.00
Municipal securities	43,122,278.49
Bank stock	20,000.00
Loan companies' debentures	705,933.33
Railway securities, guaranteed	10,151,503.92
District of Columbia bonds	155,000.00
French rentes	165,336.67
<b>Total</b>	<b>\$69,779,232.23</b>

**Protection of Policyholders.**

There was also deposited with Canadian trustees, in conformity with the Insurance Act, \$25,663,788.64, making a total of \$95,443,020.87 for the protection of policyholders, being an increase since last report of \$10,152,647.21.

The distribution of the total sum of \$95,443,020.87 held, as above-mentioned for the protection of policyholders among the different classes, is as follows:—

Life	\$70,039,103.59
Fire	14,280,538.35
Fire and miscellaneous	6,480,053.54
Accident, guarantee, plate-glass etc.	4,643,265.39
<b>Totals</b>	<b>\$95,443,020.87</b>

**Amount of Premiums Received.**

The total amount of premiums received in Canada for all forms of insurance in 1912 was \$60,955,326, of which \$30,739,598 was received by Canadian companies, and \$30,215,728 by British, American and other companies. The following summary shows the distribution of the premiums to the various classes:—

Companies.	Premiums, 1912.
Fire	\$23,194,518
Automobile	464,580
Life	35,709,516
Life (assessment)	2,420,571
Personal accident	2,022,608
Guarantee	564,096
Plate glass	193,525
Steam boiler	135,377
Burglary	66,042
Sickness	1,027,374
Inland transit	88,151
Employers' liability	2,817,286
Sprinkler leakage	32,118

Companies.	Premiums, 1912.
Title insurance	561
Live stock	127,533
Hail, weather and tornado	302,227
<b>Total</b>	<b>\$69,166,083</b>

\*So far as separate return made.

**How the Nations Fared.**

Dividing these companies according to nationalities, the following is the result:—

Companies.	Premiums—1912.		
	Canadian Cos.	British Cos.	U. S. Cos.
Fire	\$ 5,063,409	\$12,092,125	\$ 6,038,984
Life	23,540,081	1,768,046	10,401,389
Life assessment	2,420,571	.....	.....
Accident	1,046,689	557,915	418,004
Guarantee	129,661	147,511	286,924
Plate glass	52,468	34,441	106,610
Steam boiler	103,630	.....	31,747
Burglary	39,865	923	25,254
Sickness	821,622	105,420	100,332
Inland transit	4,442	54,275	29,434
Employers' liability	514,742	1,672,875	629,669
Title insurance	561	.....	.....
Live stock	76,310	51,223	.....
Automobile	111,450	42,600	310,530
Sprinkler leakage	.....	413	31,705
Hail, weather & tornado	280,220	116	21,891
<b>Totals</b>	<b>\$34,205,721</b>	<b>\$16,527,883</b>	<b>\$18,432,479</b>

**COMPANIES LICENSED IN ONTARIO**

The following extra-provincial companies have been licensed to do business in Ontario:—

- United States Steel Products Company, of State of New Jersey, U.S.A. Ontario capital, \$40,000.
- Atlantic Fruit Distributors, Inc., of State of Delaware, U.S.A. Ontario capital, \$10,000.
- Algoma Land Company, Limited, of Great Britain and Ireland. Ontario capital, \$100,000.
- Detroit-Ojibway Land Company, of the State of Michigan, U.S.A. Ontario capital, \$25,000.
- Mills Bros., Limited, Dominion charter. Ontario capital, \$1,000,000.

**COMPANIES OBTAINED FURTHER POWERS IN ONTARIO**

Various powers were granted in supplementary licenses issued by the Ontario government last year, as follows:—

- Oneida Community, Limited, increasing the amount of capital which it may use in Ontario from \$50,000 to \$150,000.
- Pintsch Compressing Company, increasing the amount of capital which it may use in Ontario from \$40,000 to \$100,000.
- American Thread Company, increasing the amount of capital which it may use in Ontario from \$10,000 to \$40,000.
- Wm. Wrigley, Jr., Company, increasing the amount of capital which it may use in Ontario from \$40,000 to \$600,000.
- Canadian Colored Cotton Mills Company, Limited, in Ontario, the name to be Canadian Cottons, Limited.
- Columbia Phonograph Company (General), increasing the amount of capital which it may use in Ontario from \$10,000 to \$50,000.
- National Spring and Wire Company, increasing the amount of capital which it may use in Ontario from \$10,000 to \$100,000.
- Quaker Oats Company, increasing the amount of capital which it may use in Ontario from \$1,250,000 to \$2,000,000.
- Johnson & Carey Company, increasing the amount of capital which it may use in Ontario from \$12,000 to \$100,000.
- Canadian Gold and Silver Mining Company, to use two million dollars of its capital in Ontario.
- International Acheson Graphite Company, increasing the amount of capital which it may use in Ontario from \$40,000 to \$80,000.
- Crown Cork and Steel Company, of Baltimore City, trading in Ontario under the name of Aluminum and Crown Stopper Company, increasing the amount of capital which it may use in Ontario from \$300,000 to \$500,000.
- National Cash Register Company, increasing the amount of capital which it may use in Ontario from \$90,000 to \$150,000.
- Stewart Hartshorn Company, increasing the amount of capital which it may use in Ontario from \$25,000 to \$100,000.
- Oriental Carpet Manufacturers, Limited, increasing the capital which it may use in Ontario from £8,000 to \$250,000.

## EXPECT SIX PER CENT. RATE

## Bank of England May Make Further Advance—New Capital Issues

London still expects a 6 per cent. Bank of England rate within the next few weeks. The advance in the rate a few weeks ago, according to the London Statist, is not a serious matter. It is intended to be precautionary, and as a notification to certain countries of the limited supply of gold in London. The notification is doubtless intended primarily for Germany, Russia, and New York, all of which are able to refrain from taking gold without suffering any serious consequences.

## Rates of State Banks.

The following table shows this week's official minimum discount rate of all the European state banks, with the respective dates at which the present rates were established and the rates at the corresponding dates in previous years:—

Bank of—	Date of last change.	1913.	1912.	1911.	1910.
England . . . . .	Oct. 2, '13	5	5	4	4
France . . . . .	Oct. 31, '12	4	3½	3½	3
Germany . . . . .	Nov. 14, '12	6	4½	5	5
Holland . . . . .	June 25, '13	5	4	4	4
Belgium . . . . .	Oct. 16, '12	5	5	5½	5
Austria . . . . .	Nov. 15, '12	6	5	5	4
Italy . . . . .	June 23, '13	6	5½	5½	5
Switzerland . . . . .	Aug. 14, '13	4½	4½	4	4
Russia . . . . .	Oct. 28, '12	5½	5	5	5
Spain . . . . .	Sept. 24, '03	4½	4½	4½	4½
Portugal . . . . .	Jan. 9, '08	6	6	6	6
Sweden . . . . .	Nov. 14, '12	5½	5	5	5
Norway . . . . .	Mar. 23, '12	5½	5½	5	4½
Denmark . . . . .	July 2, '13	6	5	5	5

## New Capital Issues.

"The number of new capital issues in September," a London financial organ notes, "was substantially greater than in August, but was still small, amounting to rather less than £11,000,000, in comparison with £12,000,000 last year. In 1910 the amount was only £1,300,000, but in that year, of course, the scare that arose subsequent to the Agadir incident almost entirely checked the issue of new capital.

"For the past quarter the new issues have reached £40,000,000, against £44,000,000 last year, £12,000,000 only in 1911, and £27,000,000 in 1910. The issues for the nine months have reached the great sum of nearly £191,000,000, against £165,000,000 last year and £134,000,000 two years ago. In the last quarter of the year, the new issues may be quite as large as usual, and for the whole of 1913 the amount of capital placed in this market will probably exceed all previous totals."

## LAKE SUPERIOR PAPER COMPANY, LIMITED.

The annual statement of the Lake Superior Paper Company, Limited, which has linked its interests with the Spanish River Pulp and Paper Mills, Limited, for the year ended June 30th, 1913, shows net earnings from operations of \$184,878.

The profit and loss statement is as follows:—

Net earnings from operations, \$184,172. Deduct: Interest charges for the period on first mortgage bonds—proportion chargeable to revenue, \$149,986; interest on bank advances, \$30,124; surplus, \$4,767. The balance sheet is as follows:—

Assets.—Property account, \$12,417,140. Current assets—Pulpwood, \$718,691; sawmill, lumber, logs, equipment and stores, \$162,115; pulpmill products, \$32,985; stores and supplies, \$219,388; accounts receivable, \$243,382; paper and lumber sold, but not delivered, \$478,712; cash, \$83,502—\$2,325,155; insurance, \$19,163; deferred charges, \$47,949; totalling \$14,809,411.

Liabilities.—Capital stocks—Common, \$5,000,000; preferred, \$3,000,000; first mortgage bonds, \$5,000,000. Current liabilities—Bank loan (secured by lien on forest products), \$842,661; accounts payable, \$650,643; bills payable, \$127,905; accrued interest on bonds, \$100,000; unpaid interest coupons, \$1,148; accrued taxes, \$2,050—\$1,724,409; reserves (accident insurance and delivery expenses), \$80,234; profit and loss, \$8,767. The total liabilities being \$14,809,411.

From the directors' statement it appears that the third and fourth machines were only completed and installed in January and March, 1913, respectively. The production for the year was 34,213 tons, and the directors state that practically all the output for the current year has been sold at fair prices.

## ADDITIONAL CABLE NEWS

(Continued from page 669.)

## MORE ISSUES IN LONDON.

\*London, October 20.—The Nova Scotia Steel Company's issue of £199,500 6 per cents. at 98, now pending, forms part of a recent issue of £400,000.

The Canada Agency advertises an offering of Western Canada Mortgage £300,000 5 per cents. at 94.

Mr. Thomas Langlois, of Vancouver, is here in connection with a sale of debentures for the National Finance Company, Vancouver.

## MACKENZIE ON THE LONDON MARKET.

\*London, October 20.—Sir William Mackenzie, who recently arrived here from Canada, does not seem greatly perturbed over rumors to the effect that Canada and Canadian industries are being depreciated as is claimed, because of the fact that Canadian offerings are not taken up more readily in London.

"It is not because they are Canadian that Canadian offerings are not being taken up readily in London lately, as nothing seems acceptable just now as the people are not investing," answered Sir William to a question put to him as to what the probable reason for the failure of certain Canadian offerings was.

Sir William added that since coming here he had seen no indication of Canada being depreciated.

"However," continued Sir William, "there should be practically no effect in Canada as a result of conditions in the London market, in view of the fact that Americans have been buying Canadian bonds pretty freely and possibly there have been more Canadian offerings in London than the public cared for."

## SAYS ENGLISH MANUFACTURERS CANNOT EXPECT TO COMPETE

\*London, Oct. 23rd.—It is understood that one of the objects of Sir William Mackenzie's visit to London is to raise \$10,000,000 for steel works at Port Arthur.

The plans of the American steel trust to erect a large iron and steel plant in Southern Ontario has attracted attention among English manufacturers.

The Manchester Guardian, commenting on these plans, notes the determination with which Canada is developing its heavy iron and steel industries.

It alludes also to the abundant opportunities for those who look ahead.

English manufacturers cannot expect to compete largely for enormous structural and other steel requirements in the West unless they establish Canadian branches.

"Anyway, the Canadian market, except in isolated instances, cannot be handled like the Indian in a slow and fatherly manner from a distance through an intervening agency."

## REGARDING WEEDS IN FINANCIAL FIELDS.

\*London, October 21.—Financial authorities here agree that the present situation will not be greatly eased until the huge Balkan loans are arranged. Continental banks are loaded with commitments from the Balkan States which they desire to pass on to the public, but the French Government insists that the banks must first carry out the big French issue, and some time must elapse before these operations are completed.

Meanwhile the public have been quietly and slowly tempted by the excellent Canadian bargains.

A big financier tells me he was induced to underwrite £10,000 of a recent Western municipal issue, which he was prepared to carry until January, but it had already been absorbed by small investors. He had to sign 30 transfers.

The same authority says it would be easy to exaggerate the effect upon the average British investor of a few defaulting Canadian concerns, a list of which were set out in today's London papers, with a great parade as "The Truth About Canada." This financier's comment is:—"The truth about Canada is, she now seems to be perfectly sound, and reflex action upon London of an early abundant crop shows how materially the finances of the west are being relieved. We all deplore the failure of a few Canadian concerns, but the chief fault lies with the rash Englishmen themselves. If they will not use common prudence in Canadian investments, but listen to every Canadian charmer, they must expect to suffer.

"Of course there are weeds in the best of wheat fields, but no London financier, whose opinion counts, doubts that Canada's has had fewer weeds than most, and all that is needed is patience, caution and faith, above all, faith."

\*Montreal Star cable.

**CEDAR RAPIDS WILL SUPPLY CONSIDERABLE POWER**

**Company's Construction Proceeding Satisfactorily and Will be Completed Next Year**

Monetary Times Office,  
Montreal, October 22nd.

The Cedar Rapids Manufacturing and Power Company has issued a report which will gratify the various shareholders. It points out that the St. Lawrence river drains a territory of about 300 square miles, the flow from which is unusually even. About 50 miles west of Montreal the river widens into Lake St. Francis. Above this is a long series of rapids including the famous Long Sault. Below the lake and nearer Montreal is Lake St. Louis and between lakes St. Francis and St. Louis, the St. Lawrence falls 80 feet through Coteau, the Cedars and the Cascade Rapids; 32 feet of this fall is in the Cedars Rapids, 30 miles west of Montreal, and it is for the development of these rapids that the Cedars Rapids Manufacturing and Power Company was formed. No diversion of water from the river is permitted without authority and this the company in due time obtained.

**Hundred and Twenty Thousand Horsepower.**

Later the control became vested in the joint interest of the Shawinigan Water and Power Company and the Montreal Light, Heat and Power Company. Contracts were shortly thereafter made with the Aluminum Company of America, of Messina, New York, and with the Montreal Light, Heat and Power Company, covering a total of 120,000 horsepower, half going to each company. The aluminum company is to take its entire share immediately upon the completion of the present development, while the power company will guarantee to take at least 20,000 horsepower. It is considered that these contracts will give an ample return on the present issue of capital of \$8,850,000 common stock and also provide for the \$10,000,000 of 5 per cent. bonds outstanding.

Work has been in progress on the development for a considerable time, and it is considered that by the end of 1914, the development will have been completed. The rapids extend a distance of over two miles and the development plans to concentrate the difference of levels at one point. Accordingly a canal has been constructed along the north bank of the river. The width of the canal on the water will be about 1,000 feet and its total length from the ice fender to the power-house will be about 12,000 feet. The power-house will form a concrete dam across the lower end. The company has the right to take a total of 56,000 cubic feet per second into its canal, and this, it is considered, will develop 160,000 electrical horsepower.

**By End of 1914.**

The plans for the final development call for the installation of 18 units of a normal capacity of 10,000 horsepower each, two of these units being regarded as spares. In addition to the main unit, six water driven exciter units will be installed.

Special precautions are being taken against what is known as frazil ice, a large amount of which will pass through the wheels, as the opening through these wheels will be about seven feet high and three feet wide.

At the end of August over half the rock excavation had been completed and nearly half the earth excavation and the work was making satisfactory progress. No serious interruptions have been experienced and it is fully expected that the entire work will be completed by the end of 1914.

The annual herring run in Vancouver Island waters has started and promises to be good. Outfits are fishing at Nanoose Bay and Active Pass. Three new salteries are being operated at Cowichan Gap this year. The herring will not start to run to Nanimo for some weeks yet, but dog salmon are being fished for there with great success.

Should Canadian poultry farmers have a surplus of turkeys this season, attention may be drawn to the market in the Leeds district, England, for these birds. It is to be feared, however, that owing to the greater demand and consequently more favorable prices now ruling in the cities of Canada, the export trade in turkeys to England has become a negligible quantity. Leeds merchants came to the conclusion last season after having corresponded with exporters in Canada who were unable to offer them shipments at competitive prices and in some measure this would appear to be borne out by the exports from Canada to England, which, in 1911 and 1912, had fallen in value to \$968 and \$1,264, respectively. In former years, Canadian turkeys were well in evidence on the English market and still continue to be favorably spoken of by Leeds salesmen.

**MONEY MARKETS**

Toronto.—Call money on bonds, 6 to 6½ per cent., and on stocks, 6½ per cent.  
Time loans are quoted at 6½ to 7 per cent., and commercial discounts at 6½ to 7 per cent.  
London.—Bank of England rate is 5 per cent.; three months' discount rate, 4 15-16 per cent.  
Bar silver in London, 27 13-16d. per ounce; in New York, 60½c. per ounce.  
New York.—Time money in New York, 4¾ to 5 per cent. for sixty days; 5 to 5¼ per cent. for ninety days; 5 per cent. for four months, and 4¾ to 5 per cent. for five and six months.  
Commercial paper in New York is discounted at 5½ to 6½ per cent.

**BANK CLEARING HOUSE RETURNS**

The following are the figures for the Canadian Bank Clearing Houses for the weeks of October 24th, 1912; October 16th, 1913; and October 23rd, 1913.

	Oct. 24, '12.	Oct. 16, '13.	Oct. 23, '13.	Ch'g %
Montreal	\$61,778,012	\$59,787,795	\$66,956,833	+ 8.3
Toronto	46,027,507	45,579,131	40,169,661	-12.7
Winnipeg	38,856,667	42,700,787	38,726,442	- .33
Vancouver	13,804,144	11,868,547	10,494,963	-23.9
Calgary	6,973,283	4,957,216	5,132,299	-27.8
Ottawa	4,316,247	4,371,715	3,810,195	-11.2
Edmonton	5,428,667	4,056,732	3,592,274	-33.8
Victoria	3,974,415	3,142,612	2,843,875	-28.4
Hamilton	3,748,825	3,404,931	3,029,969	-19.2
Quebec	3,412,716	3,411,170	2,968,727	-13.0
Saskatoon	2,745,254	1,970,384	1,792,973	-34.7
Regina	2,826,972	3,068,060	2,602,095	-7.8
Halifax	2,100,110	2,036,242	1,846,912	-12.5
St. John	1,903,943	1,726,259	1,511,780	-2.6
London	1,563,904	1,728,588	1,483,776	-5.1
Moose Jaw	1,497,959	1,147,183	1,182,647	-21.0
Fort William	907,305	1,165,907	1,058,912	+16.7
Lethbridge	747,016	604,851	672,620	-9.9
Brandon	760,654	757,500	677,536	-10.9
Brantford	728,222	706,351	563,813	-22.5
Totals	\$204,101,822	\$191,118,302		- 5.9
New Westminster			417,313	
Medicine Hat			532,319	

**RAILWAY EARNINGS.**

The following are the railroad earnings for the month of September and first two weeks of October:—

**Canadian Pacific Railway.**

	1913.	1912.	Inc. or dec.
Sept. 7th	\$2,496,000	\$2,649,000	— \$153,000
Sept. 14th	2,462,000	2,667,000	— 205,000
Sept. 21st	2,769,000	2,549,000	+ 220,000
Sept. 30th	4,160,000	3,457,000	+ 703,000
Oct. 7th	\$11,887,000	\$11,322,000	+ \$565,000
Oct. 14th	3,145,000	2,765,000	+ \$380,000
	3,298,000	2,957,000	+ 341,000

**Grand Trunk Railway.**

Sept. 7th	\$1,099,259	\$1,082,457	+ \$ 16,802
Sept. 14th	1,144,856	1,110,514	+ 34,342
Sept. 21st	1,134,021	1,101,588	+ 32,433
Sept. 30th	1,492,505	1,464,723	+ 27,782
Oct. 7th	\$4,870,641	\$4,759,282	+ \$111,359
Oct. 14th	1,088,759	1,058,587	+ \$ 30,172
	1,083,182	1,063,161	+ 20,021

**Canadian Northern Railway.**

Sept. 7th	\$ 382,400	\$ 376,400	+ \$ 6,000
Sept. 14th	398,000	378,300	+ 19,700
Sept. 21st	488,200	390,200	+ 98,000
Sept. 30th	726,300	526,600	+ 199,700
Oct. 7th	\$1,994,900	\$1,671,500	+ \$323,400
Oct. 14th	557,560	471,700	+ \$85,860
	593,700	523,700	+ 70,000

**Temiskaming and Northern Ontario.**

Sept. 7th	\$ 33,546	\$ 30,635	+ \$ 2,911
Sept. 14th	34,435	29,597	+ 4,838
Sept. 21st	30,595	29,171	+ 1,427
Sept. 30th	45,031	37,674	+ 7,357
Oct. 7th	\$ 143,610	\$ 127,067	+ \$ 16,543
Oct. 14th	35,206	26,045	+ \$ 9,161
	34,883	34,156	+ 727

## VALUE OF LIFE INSURANCE

XXXV.

## Policies for Brokers

BY G. A. HASTINGS

In the article entitled "Single premium policies," which was published in *The Monetary Times* on May 3rd, attention was drawn to the fact that few of these policies were sold, and how suitable they were to those whose incomes fluctuate. Now, there is one profession in particular, in which there are two classes of men, one whose yearly income is assured, and the other whose income fluctuates—I refer to stock-broking.

There are several stock-brokers who deal for wealthy clients and who are assured of their patronage, but there are many more who are not in that happy position and whose businesses are liable to fluctuate—and perhaps in that fascinating profession more than in any other.

**Should Invest Savings Securely.**

Stock-brokers and stock-jobbers are usually very shrewd men, and it seems rather unnecessary for me to point out to them the obligations which lie upon them, and that is to make provision, out of the proceeds of a good transaction, in order to avoid any hardships in the future.

Many men are apt to spend too freely when they have closed a gainful deal, instead of investing their profit in such a manner that it will not depreciate, and be available for future use if required. Those who are engaged in an uncertain business should invest their savings securely, and if invested in a first-class life office, they are certainly safe and are bound to increase as time marches on.

**Value of System.**

A life policy teaches systematic saving and this is invaluable, for while the policy provides for the future, it can always be used as capital when the necessity arises. Furthermore, even should a policyholder find it embarrassing to meet his premium, it has not got to be long in force before the policy carries itself automatically for at least a year, without any reduction to the protection, and at a low rate of interest.

To analyze this profession, the members of it must depend upon their exertions for a living and the good-will which attaches to their own personality; a substantial life policy prevents a man from becoming dispirited and embittered by the realization that he is stranded on the banks of the on-rushing stream of life and can never reach the golden harbour of his dreams.

## BRITISH CANADIAN TRUST REPORT

The third annual report of the British Canadian Trust, Limited, for the twelve months ended August, 1913, was presented recently. It shows that a balance of £1,448 to be carried forward, subject to directors' and auditors' fees. The report says: "The investments of the company show a net increase during the year of £81,547, and now amount to a total of £500,301. Of this amount £371,606 is in mortgage loans in the Western provinces of Canada and the United States, and £128,695 in bonds, stocks and shares mainly of American and Canadian railroad and industrial companies. These investments in bonds and stocks have shared in the general fall in values of securities that has taken place during the past twelve months, and at date of balance show a net depreciation of 4½ per cent. after deducting the amount put to contingent fund. The directors expect that this depreciation will be gradually restored by a recovery in values, and meantime it is more than met by the sums added to reserve and carried forward this year.

"Owing to the general tightness of money, the supply of British funds to Canada for municipal and industrial extensions has been considerably curtailed this year, and general business has in consequence been somewhat restricted; but the harvest just reaped is reported to be of finer quality and more value than that of last year, and good crops are the real foundation of the prosperity of the country. The company is prepared to receive at any time during the current year loans on deposit or debenture on account of its borrowing powers. The present rate of interest for debentures for three to five years is 4 per cent.

During the past year, the directors of the Alberta Pacific Grain Company, Calgary, sent a representative to China and Japan to investigate and report upon the possibility of extending the business of the company in those countries. As a result, the directors think that the trans-Pacific business of the company may be profitably and steadily extended, and steps have been taken to accomplish this result.

## MOVEMENT OF BRITISH INVESTMENTS

## Old Country Capital is Going Abroad Because Higher Rates Can Be Obtained There

(Central News letter to *The Monetary Times*).

London, October 15th.—In a blue book just published by the commissioners of the inland revenue there is a great deal of interesting information, but none of the statistics in the volume are more arresting and none have received more widespread comment, than those dealing with the movement of the country's investments. The statistics go back over twenty-five years, or to be exact, to 1886-7. During the period covered, the growth of capital all over the world has been enormous, owing to the opening and development of new countries and industries. Last year, for example, we are reminded that capital applications aggregated no less than £211,000,000, and the large increase, which has taken place in the nation's income from investments, tells the same tale. In this connection there have been some significant developments, especially during the last six years, which are causing a good deal of comment in the financial district. These developments have reference to the income derived by the country from abroad.

**Big Increase Abroad.**

The return on foreign investments in the year 1886-7 is recorded in the blue book at £44,508,000. This total gradually advanced, until in 1905-6 it reached £73,899,265. Since 1905-6, however, a great stride has been made in the yield upon the country's holdings of foreign securities, and for the year 1911-12, the figures representing the return were no less than £103,894,667. That is to say that during the six years ending 1911-12 the growth in the return upon foreign investments was greater than during the preceding nineteen years. This movement is so startling that special reasons are, of course, sought for. Assuming that the thirty million increase in our income from abroad is mainly paid in 5 per cent. returns, this means that the bulk of our foreign investments for the six years ended 1911-12 grew by £600,000,000.

**As to the Reasons Advanced.**

This may be partially explained by the fact that capital has tended abroad because it can secure a higher rate of return than it is possible to secure in this country, but a more potent influence is believed in Stock Exchange circles to be the anti-capitalistic activities of Mr. Lloyd George and the class agitation which he has fostered in order to further the political measures of his party. It may be perfectly true, it probably is, that the political unrest which has developed in this country during the latter half of the last decade as a result of the Lloyd Georgian policy of setting class against class, has not been nearly so pronounced as that, which has shown itself from time to time in countries, into which we have been pouring our capital. But this proves nothing, save that the trouble near at hand within domestic borders naturally impresses the imagination of investors more profoundly than that which occurs a few thousand miles away.

## NOT ENOUGH CATTLE-RAISING

Sir Thomas Shaughnessy, president of the Canadian Pacific Railway, in a Chicago interview said: "This line is not building track outside of Canada. Canada has this year an estimated wheat crop of 200,000,000 bushels of highest grade that United States millers require for mixing purposes. The Canadian mills are busy and the farmers are getting good prices. I cannot see that Canada would gain anything by removal of duty.

"There has been some movement of Canadian cattle and sheep to the United States since the removal of the duty, but I think Canada cannot spare much stock. We have no great surplus of cattle, but stockmen here have drawn somewhat on thoroughbred herds for breeding purposes. Business is looking up in all lines, and the stringency felt in United States, as well as in Canada and the countries abroad, has practically passed. With excellent crops to put money in circulation, people have nothing to fear and buoyancy will return."

"With reference to our company bidding for existing property in operation between Chicago and Detroit, I can only say such stories are born of rumors and nothing else. Canada will have the greatest crop in its history this year. Reports from North-West shows we will need every car we possess to move the great crop which will be garnered. Of course, this means greatest prosperity. Both Canada and United States have paid too little attention to raising cattle, and both will suffer for it soon unless something is done."

## MINERS RAISED MANY MILLIONS

## RUSSELL MOTOR REPORT POOR

## Large Proportion of Production Was Exported—United States is Chief Customer

A large proportion of the mineral production of Canada, the total value of which was \$135,048,296 in 1912, is exported for consumption or refining outside of Canada. On the other hand considerable quantities of mine products, chiefly those which have been refined or subjected to partial treatment, or in the form of manufactured goods ready for consumption, are imported.

The total value of the exports of products of the mine, including direct mine products and manufactures thereof, in 1912 was \$68,591,225, as compared with \$52,546,593 in 1911. This value includes for 1912 mine products to the value of \$54,349,640, and manufactures valued at \$14,241,585. Practically the whole of the Canadian production of copper, nickel and silver is exported, also a very large proportion of the production of gold, asbestos and mica. There are also considerable exports of coal. These items alone contribute about 95 per cent. of the value of the mine products exported, says Mr. J. McLeish, B.A., in a summary of mineral production issued by the department of mines. Manufactures of mine products exported consist chiefly of iron and steel goods, aluminium, calcium carbide, lime, acetate of lime and coke.

The United States is the chief destination of Canada's mine exports, about 80 per cent. having been exported to that country during the fiscal year 1911-1912, and about 13.4 per cent. to Great Britain.

## Imports Increasing More Rapidly.

A great variety of mineral products, chiefly in a manufactured or semi-manufactured condition, are annually imported into Canada, and these imports are increasing with much greater rapidity than is Canada's domestic mineral production. The total value of such imports during the calendar year 1912 was \$233,924,270, as compared with imports valued at \$181,773,708 in 1911, and \$147,305,012 in 1910. Of the total imports in 1912 nearly \$50,000,000 in value was made up of the cruder forms of mineral products such as coal, ores of metals, diamonds unset and bort, asphaltum, etc., as against \$48,000,000 for similar items in 1911.

The imports of iron and steel and manufactures thereof in 1912 were valued at \$124,376,986, as against \$93,171,817 in 1911, and \$75,758,594 in 1910. Imports of the metals, aluminium, antimony, copper, gold, silver, lead, platinum, tin and zinc, and manufactures thereof, and metallic alloys, reached a total value of over \$27,000,000, as compared with \$19,500,000 in 1911, petroleum and products of \$11,858,533, as against \$6,009,730 in 1911; clays and clay products, \$6,502,537, as against \$5,216,544 in 1911.

It will thus be seen that over 50 per cent. of the imports represents iron and steel, and that the increased imports were chiefly in iron and steel and other metals, and in petroleum.

## Opportunities for Industrial Corporations.

As already pointed out in previous reports, adds Mr. McLeish, the great excess of imports over exports would seem to indicate the existence of large opportunities for the development, not only of Canada's mineral production, but also of many manufacturing industries which utilize mine products as raw materials.

No matter what Canada's development in industrial activity may be in the future, it seems certain that there must always be a large and mutually advantageous interchange of trade between this country and our neighbour to the south. Thus, notwithstanding Canada's possession of large supplies of coal, both in the east and in the west, the great central provinces of the country, at present the most highly populated, are situated nearer the coal fields of Pennsylvania and Ohio, and derive their chief supplies from that source, while similarly, British Columbia and Alberta coal is finding a considerable market in the adjacent states of the United States.

## Refineries Will Increase.

Our southern neighbors have developed the largest iron and steel industry of any of the world powers, and possess highly developed industries in the treatment and refining of metals of all kinds, and it is perhaps but natural that we send to them the greater part of our metal ores and smelter products, and take from them the refined and manufactured products.

In the case of lead Canada now refines practically the whole of the domestic ore production, and the exports in 1912 were insignificant. Similar development in the future will no doubt result in the refining in Canada of copper, nickel, zinc and other metals. In like manner, the continued large export of crude unrefined ores and the corresponding imports of refined and manufactured products still point to opportunities for the development of industries for the treatment, refinement and manufacture of non-metallic products.

## Loss on Year's Operations—Directors Issue Financial Statement With Explanations

The Russell Motor Car Company, Limited, unfortunately had to report a net loss of \$152,826 for the year ended July 31st, 1913. In addition, the balance sheet is not a cheerful document, showing as it does bankers' advances of \$902,998 and accounts and bills payable of \$569,719.

## Dividends on Preferred Stock are Deferred.

Patents, trade-marks, good-will, etc., are figured in the assets at \$264,150. It would be better were our industrial companies to omit from their balance-sheet goodwill as an asset, as was done by a company the other week which placed goodwill at the nominal sum of \$1. Accounts and bills receivable total \$677,181 and cash on hand and in banks, \$41,303. The stock on hand is valued at \$2,390,984.

The directors admit that the showing has been "a deep disappointment" to them. It will be well to give in their words their numerous explanations for the year's results:—

## As to the Motor Business.

"This important branch of the company's business has given your board great anxiety during the past year," says the report. "As reported to you a year ago, it became necessary for us, under the patent arrangements, to manufacture the Knight motor in Canada. At the same time there were other important changes in motor car design which demanded detail changes in other parts of the chassis. We had to make provision for electric lighting and electric starting, for means of inflating the tires by the use of the engine, and for the change from right to left hand drive with centre gear shift. These changes were so marked that it practically resulted in our having to completely re-design every detail of our cars. Despite our best endeavors, we were unable to have these changes completed in tested out form for the early part of the season, and there were a number of detail points upon which changes had to be made. In this development work we were confronted with a very great deal of expense in experimenting and testing. On this account, we had either to hold back orders or ship cars before we were sufficiently satisfied as to their performance. We believed it was in the interests of the business that the cars should be held back until they were right, and, as a result, we lost a great number of orders through failure to deliver on date specified. Later in the season, when we were in position to deliver cars, business was quiet. The general financial condition of the country, particularly in the west, was such that motor sales were seriously curtailed, and we were unable to realize the volume of business which had seemed easily possible at the beginning of the year. The bicycle business again showed an increase throughout Canada, and the company's business in this branch seems to become more firmly established year by year.

"As advised a year ago, the crowded condition of our machine shops led us to provide for a new automobile machine shop and assembling departments. This building was completed during the year, and while it has resulted in the securing of first-rate premises for the business for the future, during last year it really proved a handicap. It led to so much change and rearrangement in the plant that it very considerably hampered our manufacturing operations during the winter months.

## Outlook for the Present Year.

"Our real estate holdings are all in our books at original cost, which is considerably below their present value. This is borne out by the fact that we have since the closing of our books sold our garage in Ottawa at a profit of \$30,000 over the figure at which it is included in this statement.

"Our plant is in practically complete form at the present time and no changes or additions of any importance are considered necessary for this year's business. The bicycle business promises a year of steady growth. Our travellers, who are now on the road for next season, report first class opening orders for next year. In the motor business we are now delivering our 1914 models, and indications are at present that the business in this department for the year will be normal again.

"The directors consider it wise to defer payment of any dividends on the preferred stock until the results from the current year's operations are available."

London may be asked to participate in the development of the Tough-Oakes gold claim at Kirkland Lake, Ont. An effort to finance the property through the medium of an issue of 50,000 shares at \$4 each was made in Toronto, but was not successful.

## INVESTMENTS AND THE MARKET

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

**Hudson Bay Company.**—The sale of farm lands by the Hudson Bay Company for the quarter-year ended September 30, 1913, amounted approximately to 7,100 acres for £30,000, as compared with 19,400 acres for £85,500, and sales of town lots to £7,700 as compared with £209,100 for the corresponding period of 1912. The receipts are £70,300, as against £130,000 in 1912.

The sales for the six months to September 30, 1913, are 17,800 acres for £79,800, and town lots were sold for £19,500, as compared with sales of farm lands 37,800 acres for £162,500 and town lots for £1,158,200 for the corresponding period of 1912.

The total receipts for the six months ended September 30, 1913, amount to £214,800, as compared with £485,000 for the corresponding six months of last year.

**Canadian Cereal and Milling Company.**—The Canadian Cereal and Milling Company, Limited, bondholders have been notified of a meeting on October 28th.

The notice states that the meeting has been called for the purpose "of considering the present position of the security of the bondholders, and to give such instructions to, and to authorize such proceedings and arrangements by the trustees as may be thought to be best in the interest of the bondholders, and for the purpose of appointing, if thought advisable a bondholders' committee, and of conferring upon such committee such power as may be considered expedient, including all or any of the powers which by the trust deed the bondholders are authorized to exercise by extraordinary resolution."

## PERSONAL NOTES

Mr. G. T. Somers has been elected treasurer of the Toronto Housing Company.

Mr. R. L. Crombie, secretary of the Dominion Bond Company, has resigned and intends going away for a short holiday.

Mr. Charles R. Hosmer has been elected president of the West Kootenay Power and Light Company, succeeding the late Mr. W. M. Doull.

Mr. Alex Maclean, manager and secretary of the London and Lancashire Guarantee and Accident Company, has been spending a few days in Toronto.

Mr. A. Macdermott, accident secretary at the head office of the London and Lancashire Fire Insurance Company, Liverpool, England, was a visitor at the offices of *The Monetary Times* on his return from western Canada.

## WHAT VERNON NEEDS.

Some of Vernon's, British Columbia, industrial requirements are as follows and further information can be obtained from the secretary of the board of trade:—

A box factory is needed in Vernon. This district has ordered \$150,000 worth of boxes and vegetable crates this year. The price of logs at the mill is \$9 and \$9.50, and they run 10 per cent. clear. Rough lumber sells at \$16, dressed at \$16, \$18 and \$20, shiplaps at \$20.

An ice and cold storage warehouse is a need at Vernon. The government will give outright a subsidy amounting to 30 per cent. on the actual cost of the building—not on the capitalized stock. The warehouse must be a public one, and of approved construction, to receive the subsidy.

There is a good opening in Vernon for manufacturers of pickles, vinegar, relishes of all kinds and cider. Peaches, apples, pears, plums and apricots are grown. 1,179 carloads of fruit, berries and vegetables were shipped out up to October 13. Average value \$750 per car. Total, \$884,250.

Three million more cans were used this year in the district, yet there is no can manufactory located there.

Clay and other material for the manufacture of brick, tile, pottery, stoneware and Parian is close to the city on trackage. Limestone analyzing 97.3 carbonate of lime is within one mile and a half of the city.

The International Fox and Fur Company of Boston and Milltown, New Brunswick, has been incorporated at Boston with a capital of \$200,000.

## BOND TENDERS INVITED

## Monetary Times' Weekly Register of Information for Bond Dealers and Municipal Officials

**Petrolia, Ont.**—Up to November 10, for \$7,000 5 per cent. 20-years debentures. J. M. Hattie, town clerk.

**West Lowther Township, Ont.**—Up to November 8th, for \$2,212 5 per cent. 15-year debentures. G. Guard, treasurer.

**London, Ont.**—The citizens carried three by-laws to authorize the issuing of debentures by large majorities, altogether \$1,125,000 for electrification, etc.

**Port Stanley, Ont.**—Up to November 3, for \$10,000 6 per cent. 30-year debentures. J. Gough, treasurer. (Official advertisement appears on another page.)

**Souris, Man.**—Up to November 10th, for \$40,000 6½ per cent. 30-year debentures. J. W. Breakey, secretary-treasurer. (Official advertisement appears on another page.)

**St. Lambert, Que.**—The St. Lambert school commissioners offer for sale \$15,000 6 per cent. bonds, repayable by 20 annual instalments. J. K. Beatty, secretary-treasurer.

**Kingston, Ont.**—A by-law to ratify and confirm an agreement with Frank Vandersept Samwell, and to authorize the issue of debentures to the amount of \$10,000, will be voted on November 3rd.

**Prince Albert, Sask.**—Up to November 13th, for \$26,000 6 per cent. 30-years Protestant public school debentures. G. A. Brown, secretary-treasurer. (Official advertisement appears on another page.)

## AUTHORITIES WOULD RESENT INTERFERENCE

There is one condition, however, which exists, and of which we may be assured, and that is, cheap money is a thing of the past. Unlike former periods when capital sought investment at moderate rates, the case now is that, owing to the development taking place throughout the civilized world, creating an abnormal demand for money, the reverse has become pre-eminent. It is therefore most important from a municipal standpoint that we should look the situation squarely in the face and appreciate that the position is one of reality, is the opinion of Mr. E. M. Wood, deputy municipal commissioner of Alberta. To my knowledge, due no doubt to the ease with which money was obtainable in times past, not a few of our municipalities have been placed in awkward positions in not being able to readily dispose of debenture issues and at satisfactory prices. It is said by many financial brokers that municipal issues, particularly small ones, are too numerous and hence, difficult to place. There is merit in this contention, and it would be much more beneficial and advantageous to municipalities as a whole, were issues of this character grouped together and placed on the market at the same time. It has also been suggested that with this end in view a sort of clearing house should be created, to which all municipal debenture issues should go for the purpose of examination and disposition. In this way better prices for the securities would result. I would not go as far as to agree to what has been suggested in some quarters that any system established for the above purpose should supersede the discretionary powers of municipal councils to borrow money for local purposes. This would be a clear violation of representative government and could not fail to create most annoying and undesirable situations.

As long as the right of municipal self-government is vested in the people, no tribunal or body, other than elected councils, should be given the power or right to dictate what is in the best interests of communities. They best know the local necessities and requirements, and naturally and rightly would resent outside autocratic interference.

There were sold during 1912 for agricultural and town site areas by the Ontario government 349,319 acres for \$272,233. The collection on account of these and former sales was \$218,710. There were sold for mining purposes 18,071 acres for \$45,522, and collected on account of these and former sales \$51,634. There were leased for mining purposes 16,711 acres for \$17,316 and on account of these leases and those of former years \$33,008. There were leased of Crown lands an area of 15,793½ acres for \$2,157.50. There was collected on account of these and the leases of former years a sum of \$18,931.82. The total area of Crown lands disposed of by sale and lease during the year was 412,790½ acres for a value of \$344,319.21. The total collection on account of the sales, leases, etc., was \$335,645.



RECENT FIRES

Monetary Times' Weekly Register of Fire Losses and Insurance

**Windsor, N.S.**—October 13.—King's University. Loss and cause unknown.

**St. Hilaire, Que.**—October 17.—St. Antoine R.C. church. Loss and cause unknown.

**Wakaw, Sask.**—October 7.—Wakaw Horse Exchange Loss and cause unknown.

**Gleichen, Alta.**—Mr. F. Arrison's residence. Loss and cause unknown. One death.

**Redcliffe, Alta.**—October 13.—Mr. J. Q. Landis' barns, etc. Loss, \$5,000. Cause, sparks.

**Bonsanquet, Ont.**—October 16.—Mr. F. Dew's barn, 14th concession. Loss and cause unknown.

**Brampton, Ont.**—October 17.—Mr. W. Graham's farm, north of Brampton. Loss and cause unknown.

**Meaford, Ont.**—October 16.—Mr. G. E. Lowe's residence, Bridge Street. Loss and cause unknown.

**Smith's Falls, Ont.**—October 21.—Mr. F. Walker's residence, McCann Street. Loss and cause unknown.

**Prince Albert, Sask.**—Rev. E. N. Hadley's residence, 18th Street. Loss unknown. Cause, supposed sparks.

**Sarnia, Ont.**—October 20.—Public School, Brock and Devine Streets. Loss, \$6,000. Cause, supposed incendiary.

**Durham, Ont.**—October 13.—Mr. H. Boyce's residence, Bentinck baseline. Loss unknown. Cause, defective chimney.

**Victoria, B.C.**—October 14.—Weller Bros.' premises, Broughton and Government Streets. Loss slight. Cause, spark from fuse of elevator.

**Edmonton, Alta.**—October 15.—Mr. J. Shugar's store, 448 Jasper Avenue East. Loss unknown. Cause, overheated chimney.

**Paint Court Village, Ont.**—October 16.—Mr. D. D. Gagner's hotel and Messrs. Gagners' stores. Loss and cause unknown.

**New Liskeard, Ont.**—October 21.—Mr. W. Maglading's hardware store. Loss, \$10,000; fully insured. Ross & Wright, Toronto, adjusters for the assured.

**Kingston, Ont.**—October 18.—Mr. H. Wood's jewellery store. Loss, building, \$500; contents, \$100. Messrs. Scott & Ryan, electricians. Loss, contents, \$717. Cause, wiring Dominion Penitentiary. Portsmouth laundry. Loss, \$15,000. Cause unknown.

**Vancouver, B.C.**—October 14.—Messrs. Wray & McKee's clothing store, Hastings Street. Loss, \$300. Cause unknown.

October 15.—813 Seymour Street. Loss, \$200. Cause, overheated stove.

**Montreal, Que.**—October 15.—1154-1178 Cadieux Street damaged. Loss unknown. Cause, children playing with matches. 11 St. Alexander Street. Loss unknown. Cause, man smoking in bed.

October 16.—Convent of Sisters of St. Anne. Loss, \$80,000. Cause unknown.

**New Westminster, B.C.**—October 11.—Jing Tia's lodging-house, McInnis and Carnarvon Avenue. Cause, chimney fire.

October 7.—Mr. E. J. Trader's tug boat, 403 Berst Lane. Loss, \$250. Cause, caught from boiler.

October 10.—Mr. W. J. Kerr's premises. Loss, \$15; fully insured. Cause, hot ashes.

**Saskatoon, Sask.**—October 13.—King's confectionery store, Twentieth Street East. Loss unknown. Cause unknown. Flanagan Hotel. Loss, \$25. Cause, gasoline.

October 14.—Mr. J. Charlebois' residence, 1703 23rd Street. Loss, \$3,000. Cause, supposed defective flues. Mr. Hill's garage, 1122 Spadina Crescent. Loss and cause unknown.

**Saint John, N.B.**—October 14.—Schofield Paper Company's warehouse. Loss unknown. Building insured for \$5,000, distributed with the Springfield, Rochester German, Atlantic Mutual, Liverpool, Manitoba and Commercial Union. Messrs. Schofield had also \$1,500 on their stock and \$1,000 on their horses. The stock of the McClary Company was insured for \$14,000 with several companies, including the Liverpool and Manchester, and the British American.

October 16.—Mr. A. Logan's residence, Chesley Street. Loss unknown. Cause, defective chimney.

**Brantford, Ont.**—October 19.—Messrs. Thornton's, Limited, leather factory. Loss, \$80,000. Cause, suspected incendiarism. Insurance on stock, \$68,000, as follows: Northern, \$13,000; London and Lancashire, \$12,500; Yorkshire, \$6,000; Scottish Union and National, \$4,000; British America, \$5,000; Home, \$5,000; Hartford, \$5,000; Aetna, \$5,000; Palatine, \$5,000; Royal, \$5,000; Nova Scotia, \$2,500. On buildings, \$8,000, as follows: North British and Mercantile, \$2,000; Western, \$4,000; Fidelity Phoenix, \$2,000. On machinery:

Queen City, \$2,000. On furniture and fixtures: Palatine, \$1,000. Ross and Wright, adjusters for the assured.

**Toronto, Ont.**—October 15.—Scholey Bros.' planing mill. Loss, \$7,000. Cause unknown. Mr. D. Farquarson's residence, Earls court Avenue. Loss, \$880. Cause, overturned lamp.

October 16.—Mrs. M. Mason's residence, 295 Russell Hill Road. Loss, \$50. Cause, defective grate. 514 Adelaide Street West. Loss, \$40. Cause unknown. Mr. J. J. Ganong's residence, Glen Road. Loss, \$100. Cause unknown.

October 17.—49 and 51 River Street. Loss to former, \$175, and latter, \$430. Cause unknown.

October 18.—Gregory Apartments, 216 Close Avenue. Loss, \$50. Cause unknown. Mr. W. H. Black's stables, rear 260 Queen Street West. Loss, \$50. Cause unknown.

October 19.—Mr. R. L. McAlphie's residence, 338 Sunnyside Avenue. Loss, \$200. Cause unknown. Mr. Rathbun's garage, 466 Bathurst Street. Loss, \$200. Cause unknown.

UNITED STATES SEPTEMBER FIRE LOSS

The fire loss of the United States and Canada for September, 1913, as compiled by the New York Journal of Commerce, shows a total of \$17,919,300. These figures show an increase of more than \$4,000,000 over the record for September of last year and \$6,500,000 over the same month of 1911.

The following table gives a comparison of the losses by fire during the first nine months of this year, together with the same time in 1912:—

	1912.	1913.
January . . . . .	\$35,653,150	\$20,193,250
February . . . . .	28,901,650	22,084,600
March . . . . .	16,650,850	17,511,000
April . . . . .	16,349,400	16,738,250
May . . . . .	21,013,950	17,225,850
June . . . . .	16,103,450	24,942,700
July . . . . .	15,219,100	20,060,900
August . . . . .	14,158,800	21,180,700
September . . . . .	13,779,300	17,919,300
	\$177,429,650	\$178,456,550

Canada's September fire loss amounted to \$1,468,324, and the total for the year, according to *The Monetary Times'* fire record, was \$21,408,260.

THE MOLSONS BANK REPORT

Despite the financial stringency, The Molsons Bank shows that the profits for the fiscal year ended September 30th were \$9,577 more than those of the preceding year, being equal to 17.36 per cent. on the paid-up capital, against 17.10 per cent. in 1912.

The profit and loss account compares with that of the previous year as follows:—

	1912.	1913.
Net profits . . . . .	\$684,779	\$694,356
Last balance . . . . .	119,306	161,828
Dividends . . . . .	\$804,085	\$856,185
Branch premises . . . . .	440,000	440,000
Taxes . . . . .	66,515	47,269
Pension fund . . . . .	23,241	24,983
McGill fund . . . . .	10,000	10,000
Reserves . . . . .	2,500	....
Res. current loans . . . . .	100,000	100,000
Res. depreciation . . . . .	....	52,000
Balance . . . . .	....	100,000
	161,828	81,932

"Owing to the satisfactory condition of trade throughout Canada," said Mr. William Molson MacPherson, the president, in his address to the shareholders, "and the excellent harvest which has been bountifully given to us, I may say that the bank's year has resulted in a gratifying way, and with judicious management for the future we are likely to see a continuance of prosperity. As the same time I would still urge caution in all business transactions."

Mr. MacPherson's remarks also dealt with the new bank act, which, he believed, would prove a satisfactory measure, and the new United States tariff, which, he believed, would prove of advantage to Canada through offering an additional market for Canadian farm produce, as well as some of our manufactures. A change in the date of the annual meeting of the bank from the third Monday in October to the first Monday in November, and the election of auditors in accordance with the requirements of the new bank act were the chief features of the new business of the meeting.

The change in the date of the annual meeting is made to give the auditors sufficient time to complete their work. The auditors elected, the first to be elected by any bank under the new act, are Messrs. George Creak, Lemuel Cushing and C. A. Hodgson.

## CANADA'S RICH PACIFIC PROVINCE

### Trade of British Columbia is Varied and Valuable— Railway Developments

The trade of British Columbia is the largest in the world per head of population. In 1904 the imports amounted to \$12,079,088, and the exports totalled \$16,536,328. For the fiscal year ended March 31st, 1912, the imports were \$49,346,161 and the exports \$20,272,840, an increase in the total trade of the province in eight years of \$41,002,584. The leading articles of export are fish, coal, gold, silver, copper, lead, timber, masts and spars, furs and skins, fish-oil, hops and fruit. A large portion of the salmon, canned and pickled, goes to Great Britain, Germany, Eastern Canada, the United States, Hawaiian Islands, Australia and Japan; the United States consumes a large share of the exported coal, and immense quantities of lumber are shipped to Great Britain, South Africa, Japan, China, India, Australia, Mexico and South America.

The valuable furs—seal, sea-otter and other peltries—are sent to Great Britain and the United States. China also buys a considerable amount of fish and furs. Valuable shipments of fish-oil, principally obtained from dog-fish, are consigned to the United States and Hawaii. A large interprovincial trade with Alberta, Saskatchewan, Manitoba and the eastern provinces is rapidly developing, the fruit grown in British Columbia being largely shipped to the prairie provinces, where it finds a good market. Whaling, a new industry, makes an important item in the export trade.

#### Trade is Rapidly Increasing

With the shipping facilities offered by the Canadian Pacific Railway and its magnificent fleet of steamships running to Japan, China, New Zealand, Australia and Hawaii, and several British and foreign lines making regular trips to her ports, backed by her natural advantages of climate and geographical position, British Columbia's already large trade is rapidly increasing.

The number and tonnage of vessels entered and cleared at British Columbia ports in 1912 was as follows:—

	Number of Vessels inward.	Tonnage.
From the sea .....	4,933	4,584,740
Coasting trade .....	27,265	10,037,904
<b>Total .....</b>	<b>32,198</b>	<b>14,611,644</b>
	Number of Vessels outward.	Tonnage.
For the sea .....	4,937	4,560,332
Coasting trade .....	27,626	10,380,719
<b>Total .....</b>	<b>32,563</b>	<b>14,941,051</b>

#### Canadian Pacific Connections.

The Canadian Pacific is the principal railway in the province. It has two main lines, the Canadian Pacific Railway and the Crowsnest Pass Railway, and several branches; also steamboat connections on the inland lakes, besides its large fleet of ocean-going and coasting steamers. The railway mileage of the province is 2,250 miles, with nearly 3,000 miles under construction.

The Canadian Pacific Railway coast service employs a large fleet of steamers, many of them model ships of their class, which ply between coast points, from Victoria, Vancouver, Seattle, Nanaimo and Ladysmith, to northern British Columbia and Alaskan ports. The Empress liners, world-famed for their speed, comfort and safety, make regular trips from British Columbia ports to Japan and China, while the Canadian-Australian liners give splendid service to Hawaii, Fiji, New Zealand and Australia.

The Canadian Pacific Railway Company operates the Esquimalt-Nanaimo Railway, running from Victoria to Alberni, on Vancouver Island, a distance of 134 miles. Extensions of the Esquimalt and Nanaimo Railway are now being built to Cowichan Lake and Comox.

#### Served by Several Railways.

The Great Northern Railway maintains connections with its main line in the United States over branches running to Vancouver, Grand Forks, Rossland, Nelson and Elko, and by ferry to Victoria.

The Grand Trunk Pacific, which will traverse Canada from Prince Rupert, B.C., to Moncton, N.B., has completed the first section of the western division, from Prince Rupert eastward for 181 miles, and is operating regular trains for that distance. Work is also progressing from Tete Jaune Cache westward towards Fort George. It is expected that the road will be completed in 1914. The British Columbia division of the Grand Trunk Pacific will open to settlement a vast area rich in timber, minerals (including coal), agricultural and grazing lands.

The Grand Trunk Pacific Railway Company has two steamships, the "Prince Rupert" and "Prince George," in the coast service between Vancouver, Victoria, Seattle and Prince Rupert. These steamboats are among the fastest, most commodious and luxurious vessels on the Pacific. The company also operates several smaller steamers in the coasting trade.

The Kettle River Valley Railway Company is under contract to build from Midway to Nicola, via Penticton, 150 miles, which will furnish direct communication between the boundary district and the coast cities, the line to be completed by 1914.

The Canadian Northern Railway Company has a contract with the government of British Columbia to construct a railway, to be known as the Canadian Northern Pacific, from the boundary of the province at Yellowhead Pass, following the Thompson and Fraser River valleys to Vancouver and connecting by ferry with Victoria, across Vancouver Island to Alberni; thence to a point on Seymour Narrows on the east coast and to Nootka Sound on the west coast. This will give the province another transcontinental connection. The company is now building both on the mainland and island.

The Pacific Great Eastern Railway has begun building a line from Newport, at the head of Howe Sound, to Fort George, where it will connect with the Grand Trunk Pacific.

Mr. F. I. Clarke, secretary of the bureau of provincial information, has valuable information on file for prospective investors and settlers in British Columbia.

### CANADIAN PACIFIC RAILWAY, WORLD BAROMETER

A New York despatch says: "A downward swing of 10 points is not much of a performance for Canadian Pacific at any time, but this month's decline has attracted attention because it has coincided with the growth of a belief in some circles in Wall Street that the foreign situation was much worse even than it has been painted. If the latest rumors of the character of the selling which brought about this fall in Canadian Pacific are true, the reputation that the stock enjoys in some quarters of being a correct barometer of financial conditions abroad will suffer. Houses with foreign connections have been advised that the drop in the stock has been the result of a bear campaign on the part of a group of operators known in London and on the Continent as the 'Liverpool syndicate.' The 'Liverpool syndicate' is said to be composed of a powerful clique of very rich and daring speculators, who have been very successful at times, but who have made their mistakes, like all stock gamblers. On this particular occasion this group is said to have begun selling Canadian Pacific around 234, and to have put out something like 40,000 shares. A supplementary rumor has it that one of the big Canadian banks has been calling loans recently in order to close out some big Montreal speculators, and this incident is supposed to have some connection with the present decline in Canadian Pacific."

### NEW INDUSTRIES AT THE HAT

Several carloads of steel have arrived at Medicine Hat for the building of the Saskatchewan Bridge and Iron Company, Limited. Anything less than a ton in weight will be freighted to the factory site, so that the erectors can be at work getting the steel frame up before cold weather arrives. In the meantime, the grading of the railway spur to the site has been completed, the steel is all on hand, and ties are arriving, so that no time will be lost in completing the line. The new gas well at this West industrial site has been completed, and the company expects to build about 40 homes there for its employees.

The Ogilvie Flour Mills Company, Limited, which started grinding in its new mill on July 25th, found it necessary to put on another shift of men, and the mill is now running at the full initial capacity of 2,000 barrels every twenty-four hours. In addition to the local and district demand, which Manager Armstrong states has been satisfactory, this mill has large orders on hand for England and the Orient. For the latter a shipment of 7,500 sacks, sent out a short time ago, is being followed by another of 15,000 sacks, the first car of the latter order having been shipped this week to Hong Kong, China.

One feature is the facility with which the offal, such as bran, shorts, etc., has been disposed of. Very often this is a problem with flour mills, but in this case the mill has not been able to keep pace with the orders. This indicates, in some degree, how the farmers are turning more and more to diversified farming and stock-raising.

Surveys have been made and the spur track located for the new brewery, the early building of which will soon commence. Mr. C. V. Drazan, the manager, expects to have it under cover before severe weather arrives, so as to get the machinery and equipment housed and be ready for business in the spring.

**SMALLER CITIES GET INDUSTRIAL COMPANIES**

**Western Provinces Contribute Fifty Per Cent. of These Corporations**

New incorporations number sixty-four, the head offices of these companies are located in seven provinces. The total capitalization amounts to \$12,620,500. The largest companies being as follows:—

Quebec Development Company, Limited, Montreal, Quebec .....	\$2,500,000
The Valleyfield Water Power Company, Limited, Salaberry de Valleyfield, Quebec .....	1,000,000
The First Canadian Estates, Limited, Winnipeg, Man. ....	1,000,000
Dominion Investment and Securities Company, Limited, Winnipeg, Man. ....	1,000,000
Canadian Rand Goldfields, Limited, Toronto, Ont. ....	1,000,000

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

Province	No. of Companies.	Capitalization.
Prince Edward Island ..	3	\$ 293,000
Alberta .....	1	500,000
Ontario .....	22	3,503,500
Manitoba .....	12	3,250,000
British Columbia .....	11	485,000
Saskatchewan .....	8	650,000
Quebec .....	7	3,939,000
	<hr/> 64	<hr/> \$12,620,500

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

- Fernie, B.C.**—Roarin' Game, Limited, \$10,000.
- Victoria, B.C.**—Sturgess and Company, Limited, \$100,000.
- Bounty, Sask.**—The Gordon Kelly Company, Limited, \$20,000.
- Mortlach, Sask.**—The Wheatlands Mercantile Company, Limited, \$40,000.
- Aneroid, Sask.**—Aneroid Co-Operative Supply Company, Limited, \$20,000.
- Nelson, B.C.**—Independent Printing and Publishing Company, Limited, \$30,000.
- Fort Qu'Appelle, Sask.**—The Fort Qu'Appelle Boatbuilders and Manufacturers, Limited, \$25,000.
- Galt, Ont.**—The Galt Co-Operative Society, Limited, \$10,000. A. C. Lamb, W. J. Pratt, F. Wilde.
- Woodville, Ont.**—Woodville Hotel Company, Limited, \$4,500. M. J. Stoddart, D. McLachlan, A. Good.
- Brockville, Ont.**—The Brockville Arena Company, Limited, \$25,000. F. Craig, A. M. Patterson, G. Ross.
- Windsor, Ont.**—Peninsular Chemical Company, Limited, \$40,000. W. Lucking, H. W. Hanlon, H. Van Auken.
- Brandon, Man.**—The Patmore Nursery Company, Limited, \$200,000. H. L. Patmore, F. Nelson, A. F. Barker.
- Gananoque, Ont.**—The W. J. Gibson Harness Company, Limited, \$99,000. W. J. Gibson, C. A. Gibson, L. P. Wood.
- Hamilton, Ont.**—Hamilton-Buffalo Real Estate Company, Limited, \$200,000. L. Mitchell, R. L. Smith, J. G. Morrow.
- London, Ont.**—The Cox Manufacturing Company, Limited, \$50,000. W. P. Stephenson, F. L. Willgoose, C. Lambert.
- Redcliff, Alta.**—Quick Removable Bar Cylinder Company, Limited, \$500,000. W. D. Hale, J. M. Tinnall, V. L. Harvey.
- Niagara Falls, Ont.**—Niagara Brick and Tile Company, Limited, \$100,000. F. W. Griffiths, H. F. Upper, W. B. Masters.
- Welland, Ont.**—Richardson Scale Company of Canada, Limited, \$50,000. J. A. Macintosh, W. C. La Marsh, F. W. Scott.
- Regina, Sask.**—St. James and McPheeters Investment Company, Limited, \$20,000. Reinhorn Brothers, Limited, \$25,000.
- Thurso, Que.**—The Thurso Manufacturing, Limited, \$49,000. Mr. J. E. A. Decelles, Mrs. J. E. Decelles, Mr. George Wilson.
- Salaberry de Valleyfield, Que.**—The Valleyfield Water Power Company, Limited, \$1,000,000. N. A. Ostiguy, J. Lowe, A. Cossette.
- Moose Jaw, Sask.**—The Canadian Faced Brick Process and Machinery Company, Limited, \$100,000. The Douglas Store Company, Limited, \$400,000.

**Windsor, Ont.**—The Parsons Motor Car Company of Canada, Limited, \$500,000. A. J. Denomy, T. G. Ellis, R. L. Sanscrainte. The Makeman Chemical Company, Limited, \$40,000. L. F. Cowan, R. S. Mitchell, M. A. Cowan.

**Prince Edward Island.**—The Magic Silver Black Fox Company, Limited, \$190,000. J. A. Lecky, J. S. Snooks, R. LePage. The Woodstock Black Silver Fox Company, Limited, \$78,000. G. M. Leard, J. A. Webb, R. H. Raymer. The Richmond Bay Oyster Company of Malpeque, Limited, \$25,000. G. Riley, J. S. Cousins, W. Cousins.

**Vancouver, B.C.**—James Munro, Limited, \$100,000. Number Three Oil Well Development Company, Limited, \$20,000. B. C. Hardwood Floor Company, Limited, \$10,000. Gold Standard Cigar Stores, Limited, \$20,000. Baynes Sound Collieries, Limited, \$100,000. Newson, Keen and Townley, Limited, \$35,000. Paris Hotel Company, Limited, \$50,000. Peace River Grocery Stores, Limited, \$10,000.

**Montreal, Que.**—Roediger and Quarch, Limited, \$50,000. E. G. Schutz, J. D. C. Tessier, J. C. Lamothe. Quebec Development Company, Limited, \$2,500,000. A. Wainwright, M. Alexander, C. Sinclair. Simplex Construction Company, Limited, \$150,000. A. Wainwright, M. Alexander, C. Sinclair. Scroggie Furniture Company, Limited, \$100,000. A. Wainwright, M. Alexander, C. Sinclair. Valois Lands, Limited, \$90,000. H. Weinfeld, P. Ledieu, J. Y. Fortier.

**Winnipeg, Man.**—Dominion Investment and Securities Company, Limited, \$1,000,000. E. E. Hall, H. D. Patterson, H. J. Quinn. Manitoba Contractors, Limited, \$250,000. C. I. Jameson, W. F. Guild, W. J. Crawford. The First Canadian Estates, Limited, \$1,000,000. L. A. Delorme, E. Guertin, E. J. Dufresne. Burnbrae, Limited, \$100,000. R. McD. Thomson, H. Meekling, A. D. Campbell. Sidney Greenwood Building Company, Limited, \$100,000. S. Ward, S. Greenwood, W. W. Barry. The Canadian Key Registry, Limited, \$5,000. G. H. Vowles, J. D. Reid, A. E. Gibson. Bentz-Richardson Company, Limited, \$20,000. H. C. Bentz, C. R. Richardson, C. D. Clark. Men's Store, Limited, \$20,000. G. Blaikie, T. J. Murray, W. M. Noble. East-Anglian Mortgage and Investment Company, Limited, \$500,000. E. E. Goodwyn, A. W. Blake, O. H. Clark. Manitoba Pure Milk Company, Limited, \$50,000. G. Filkon, G. Doctoroff, B. Fratkin. The Sisskind-Tannenbaum Grocery Company, Limited, \$5,000. M. Sisskind, J. Tannenbaum, F. Sisskind.

**Toronto, Ont.**—Gardner Cap Works, Limited, \$25,000. J. Gartenlaub, J. D. Armstrong, M. Levy. Canadian Rand Goldfields, Limited, \$1,000,000. T. R. Hollingworth, F. G. Dyke, F. E. Earl. Canadian Bitumastic Enamels Company, Limited, \$40,000. A. W. Holmsted, E. M. Carruthers, A. Ritchie. College Press, Limited, \$40,000. B. H. Brown, F. F. Middleton Brown, W. H. Knight. Canadian Vitaphone Company, Limited, \$250,000. H. N. McMenimen, W. Thorpe, W. R. Wadsworth. Port Weller Land Company, Limited, \$40,000. W. R. Wadsworth, D. R. Leask, I. Rouse. Clovelly Park, Limited, \$150,000. L. F. Black, G. D. Waters, H. A. Hall. Crescent Realty Company, Limited, \$40,000. J. J. Gray, G. H. Gray, W. R. Willard. Glen Grant, Limited, \$200,000. L. F. Black, G. D. Waters, H. A. Hall. Insurers' Alliance, Limited, \$100,000. J. MacIntosh Duff, E. Harris, Sr., J. Parker. The Atlantic Coast Steamship Company, Limited, \$500,000. R. H. Parmenter, A. J. Thomson, W. S. Morlock.

**DEFECTS IN CONSTRUCTION ADD TO FIRE LOSS**

"We have had lessons from recent fires by which Saskatoon city council has failed to profit," commented Mr. Herbert J. Payton, architect, of Saskatoon, in an interview. In a number of buildings the space between the ceiling and the roof spreads over the entire building and is not partitioned off at all.

"This was the case in the Cairns building fire. When the flames ate through the ceiling they spread in all directions under the roof, and the firemen did not know what to do as they were faced with fire bursting out everywhere. The same thing occurred in the recent cafe fire. There was a space between the ceiling and the top of the roof and the flames spread in all directions.

"Steps should be taken to force people, putting up buildings, to divide off these spaces. This would prevent the fire from spreading under the entire roof. It could be done cheaply enough by putting in a four-inch brick wall between the roof and the ceiling wherever there was a steel beam or other support.

"The cost would be trifling, and, while people do not realize it, it would soon be more than made up by the reduction in the cost of their insurance.

"While the matter is before the public some pressure should be made upon the council to secure a provision in the building by-laws."

**NATIONAL AGENCY IN LIQUIDATION**

Alleging that the National Agency Company, Limited, was insolvent, Mr. John Kuhl, a shareholder, has obtained an order for the winding up of the company. Mr. G. T. Clarkson was appointed interim liquidator, with a reference to George Kappele, K.C., official referee.

These proceedings are the sequel to the liquidation of the Union Life Assurance Company's affairs. Mr. Kuhl, who is the holder of 1,500 shares in the company, stated in his petition that he had good reason to believe the company had a deficit of \$1,392,642.09; that it had not paid, and could not, the interest due on debentures in July last; that the principal assets of the company consisted of stock of the Union Life Company, which, according to the report of Liquidator Clarkson, were valueless. He further alleged that all the so-called assets of the company were worthless, and requested that an investigation of the affairs of the company be instigated.

The National Agency Company was incorporated in 1901 to act as managing agent for any insurance company registered in Ontario. Its nominal capital was \$750,000, of which 4,732 shares were to have been subscribed for and allotted. The amount said to have been paid up was \$456,550.66. The directors, according to the last return made in 1912 to the Provincial Secretary's department were: H. Symonds, K.C., president; F. D. Hughes, L.D.S., vice-president; H. Pollman Evans, W. J. Gilpin, G. E. Allen, James J. McGowan, George E. Millichamp and E. G. Smith.

Mr. Kuhl also stated that he had been unable to ascertain where the business office of the company was now located, and he believed no proper care was being taken of the assets of the company.

**CO-INSURANCE CLAUSE EXPLAINED**

A clause which it is important that an insured person should understand is the Co-insurance clause which usually reads:—

"It is a part of the consideration of this policy and the basis on which the rate of premium is fixed that the assured shall maintain insurance concurrent in form with this policy on the property hereby insured, to the extent of at least per cent. ( per cent.) of the actual cash value thereof, and that, failing so to do, the insured shall be a co-insurer to the extent of an amount sufficient to make the aggregate insurance equal to per cent. of the actual cash value of the property hereby insured, and, in that capacity, shall bear their proportion of any loss that may occur."

Messrs. Irish and Maulson, Limited, insurance brokers of Toronto and Montreal, elucidate this clause by the following illustrations:—

The clause operates only in event of a partial loss amounting to less than the percentage mentioned in the clause.

**Example.**

Sound value of property .....	\$1,000
Insurance .....	100
Loss .....	400
Insurance should have been .....	800
Company pays 700/800ths of loss ....	350
Assured contributes 100/800ths .....	50
and therefore loses \$50.	

N.B.—For purpose of illustration the percentage of 80 is taken, but, of course, the percentage stated in the clause governs.

This clause is not operative when:—

1. The property is wholly destroyed.

**Example.**

Sound value of property .....	\$1,000
Insurance .....	700
Loss .....	1,000
Company pays .....	700

2. Where the damage exceeds the amount of percentage mentioned in the clause.

**Example.**

Sound value .....	\$1,000
Insurance .....	700
Loss .....	801
Company pays .....	700

It might be well if both parties in Canada ceased to make a virtue of their ability to borrow and paid more attention to the subject of economizing. This warning has been sounded for a year or more by Canadian banks, and is echoed just now by financial authorities in England who wish us well, and for that reason are afraid that we have been travelling a little too fast and should slow up, if only for a breathing spell.—Montreal Gazette.

**LOOKING FOR AN INVESTMENT**

A reader writes *The Monetary Times*, stating his desire to become associated with a first-class financial house handling either stocks or bonds, as a branch manager or assistant manager at the head office. He would be willing to invest money in the business.

**WILL DO BUSINESS IN BRITISH COLUMBIA**

The following extra-provincial companies have been licensed to do business in British Columbia:—

Eastern and Pacific Land Company, Limited, \$500,000. Head office, Victoria, B.C. Kildare Mines, Limited, \$1,000,000. Head office, Vancouver, B.C. Union Meat Company, \$1,250,000. Head office, Vancouver, B.C. Revillion Wholesale, Limited, \$1,000,000. Head office, Vancouver, B.C. Anglo-Colonial Estates, Limited, £10,000. Victoria, B.C. Richard Haworth & Company, Limited, £550,000. Vancouver, B.C. North-Western Novelty Company, Limited, \$20,000. Vancouver, B.C. John Millen & Son and Urquhart, Limited, \$100,000. Vancouver, B.C. E. T. Wright & Company, Inc., \$250,000. Victoria, B.C. West Disinfecting Company, \$250,000. Vancouver, B.C. Union Gas Engine Company, \$600,000. Vancouver, B.C.

**MANY ONTARIO COMPANIES INCREASED CAPITAL**

The following Ontario companies increased their capital last year. The word limited and the dollar mark are omitted in each case:—

Adams Wagon Company, from \$250,000 to \$1,000,000; Algoma Produce Company, 50,000, 250,000; Algoma Steel Corporation, 1,000,000, 30,000,000; Battle Creek Toasted Corn Flake Company, 100,000, 250,000; Bartram Brothers, 20,000, 50,000; Brigidens, 100,000, 250,000; Brown Boggs Company, 150,000, 500,000; Bowmanville Foundry Company, 40,000, 100,000. Canadian Talc and Silica Company, 100,000, 150,000; Cosgrave Brewery Company of Toronto, 200,000, 300,000; Canada Malleable and Steel Range Manufacturing Company, 50,000, 250,000; Canadian National Horse Show Association, 2,000, 3,000; Chipman-Holton Knitting Company, 150,000, 500,000; Dominion Stamping Company, 100,000, 250,000; Dieckerhoff, Raffloer & Company of Canada, 80,000, 160,000; Diamond Flint Glass Company, 3,500,000, 4,000,000. Etobicoke Land Company, 100,000, 250,000; Fitzsimmons Fruit Company, 40,000, 100,000; Fort William Coal Dock Company, 200,000, 500,000; Gould Shapley and Muir Company of Brantford, 275,000, 1,000,000; Georgian Bay Shook Mills, 80,000, 250,000. Hough Lithographing Company, 42,000, 150,000; Hees, Geo. H., Son, & Company, 600,000, 800,000; Holtby Bros., 40,000, 100,000; Hamilton Lock and Hardware Manufacturing Company, 100,000, 200,000; Ham and Nott Company, 200,000, 800,000; Halliday, F. G., 40,000, 100,000. Imperial Cocoa and Spice Company, 30,000, 40,000; Journal Printing Company of Ottawa, 50,000, 100,000; Kinley Bed Company, 40,000, 100,000; R. Laidlaw Lumber Company, 300,000, 1,000,000; J. M. Lowes Company of Toronto, 20,000, 100,000; Lanark and Carleton Counties Telephone Company, 5,000, 20,000; Lowe Brothers, 100,000, 150,000. Malcolm & Souter Furniture Company, 75,000, 150,000; McLean, J. B., Publishing Company of Toronto, 3,000, 1,000,000; Monarch Realty and Securities Corporation, 100,000, 1,000,000; Metals-Chemical Company, 200,000, 1,000,000; Mooney Biscuit and Candy Company, 250,000, 1,000,000. Ontario Financial Company, 40,000, 80,000; Oliver, Reid & Company, 40,000, 100,000; O'Keefe Brewery Company of Toronto, 600,000, 2,000,000; Preston Car and Coach Company, 200,000, 500,000; Robinson Bros. Cork Company, 200,000, 500,000; Robson Leather Company, 200,000, 750,000; Russell Motor Car Company, 1,600,000, 2,000,000; Rideau Canal Supply Company, 100,000, 200,000. Smith's Falls Electric Power Company, 60,000, 100,000; Sudbury Brick Company, 20,000, 50,000; Sudbury Construction and Machinery Company, 40,000, 100,000; Shevlin-Clarke Company, 200,000, 1,200,000; St. Lawrence Paper Mills Company, 1,000,000, 2,000,000; Robert Simpson Company, 2,500,000, 15,000,000; Sault Ste. Marie Skating Rink and Athletic Company, 20,000, 50,000; Smallman & Ingram, 500,000, 1,000,000; Spanish River Pulp and Paper Mills, 4,000,000, 7,000,000; Sault Ste. Marie Coal and Wood Company, 40,000, 100,000; Sault Ste. Marie Dry Dock and Ship Building Company, 1,000,000, 1,200,000. Urban and Rural Telephone Company, 4,000, 8,000; Union Realty Company, 50,000, 110,000; United Fuel Supply Company, 500,000, 1,350,000; Volcanic Oil and Gas Company, 500,000, 1,500,000; Western Canada Securities Company, 100,000, 700,000; Wealthy Mines, 1,000,000, 3,000,000; Weston Brick Company, 100,000, 300,000.

# DEBENTURES FOR SALE

## DEBENTURES FOR SALE

### VILLAGE OF PORT STANLEY, ONT.

Tenders addressed to the undersigned will be received up to **November 3rd, 1913**, for the purchase of \$10,000 thirty-year Debentures, bearing 6 per cent. interest, payable in annual instalments of principal and interest. Full particulars on application. The highest or any tender not necessarily accepted.

JAMES GOUGH,  
Clerk and Treasurer,  
Port Stanley, Ont.

Port Stanley, Oct. 15th, 1913.

## TOWN OF SOURIS

### ELECTRIC LIGHT DEBENTURES FOR SALE

Sealed Tenders addressed to the undersigned will be received up to **6 o'clock p.m., November 10th, 1913**, for the purchase of \$40,000 30-year Debentures, with coupons attached, dated December 1st, 1913, A.D., bearing 6½ per cent. interest, payable in annual instalments of principal and interest.

The highest or any tender not necessarily accepted.

J. W. BREAKEY,  
Secretary-Treasurer,  
Souris, Man.

## DEBENTURES FOR SALE

Sealed Tenders addressed to the undersigned will be received until noon on **Thursday, November 13th, 1913**, for the purchase of \$26,000 City of Prince Albert Protestant Public School debentures, and bearing interest at 6 per cent. per annum. Principal and interest payable in thirty equal consecutive annual instalments. First instalment, December 1st, 1914.

G. A. BROWN,  
Secretary-Treasurer.

Prince Albert, Sask.



## TENDERS FOR PULPWOOD LIMIT

Tenders will be received by the undersigned up to and including **Wednesday, the 31st of December next**, for the right to cut pulpwood on a certain area situated on the Metagami River, in the District of Temiskaming.

Tenderers shall state the amount they are prepared to pay as bonus in addition to the Crown due of 40c. per cord for Spruce, and 20c. per cord for other pulpwoods, or such other rates as may from time to time be fixed by the Lieutenant-Governor in Council, for the right to operate a pulp mill and a paper mill on or near the area referred to.

Such tenderers shall be required to erect a mill or mills on or near the territory and to manufacture the wood into pulp and paper in the Province of Ontario—the paper mill to be erected when directed by the Minister of Lands, Forests and Mines.

Parties making tender will be required to deposit with their tender a marked cheque payable to the Honorable the Treasurer of the Province of Ontario, for ten per cent. of the amount of their tender, to be forfeited in the event of their not entering into an agreement to carry out the conditions, etc.

The highest or any tender not necessarily accepted.

For particulars as to description of territory, capital to be invested, etc., apply to the undersigned.

W. H. HEARST,  
Minister of Lands, Forests and Mines.

Toronto, Ontario, September 17th, 1913.

# CONDENSED ADVERTISEMENTS

Advertisements on this page will be accepted hereafter at the following rates:—"Positions Wanted" advts. one cent per word each insertion; "Positions Vacant," "Agents or Agencies Wanted" advts. two cents per word each insertion; all other advertisements, three cents per word each insertion. A minimum charge of 50 cents per insertion will be made in each case.

**FOR SALE**—Old-established and well-known Canadian engineering company doing large business from coast to coast—an excellent opportunity for investors or for anyone wishing to extend operations in Canada by taking over a going concern, with complete plant, staff and extensive connections. All communications strictly confidential. Address Box 261, *The Monetary Times*, Toronto.

**FIRE INSURANCE INSPECTOR WANTED.**—Old-established Company is open to appoint an active young man as Inspector for Ontario. One with knowledge of risks and rates preferred. Apply, stating age, experience and salary expected to Box 265, *The Monetary Times*, Toronto.

## MONTREAL TRAMWAYS COMPANY IS STIRRING

Monetary Times Office,  
Montreal, Oct. 22nd.

In certain Montreal quarters the attack upon the intentions of the Tramways Company and its methods of operation persists, and the public is being warned of further inroads contemplated by the company. It is declared that the company proposes to obtain at Quebec, this season, a franchise covering the whole Island of Montreal for a long term of years. It is stated that the Tramways Company will not take the matter up with the city at all, but that Premier Gouin will be called upon in this connection.

No definite statements are being made, however, and the Tramways Company goes ahead and says nothing. Mean-

**WANTED.**—To purchase insurance agency in Montreal. We are open to purchase the business and goodwill of an established Fire and Casualty Insurance Agency in Montreal. Will consider continuing the present owner as manager if so desired. Address, Box 263, *The Monetary Times*, Montreal.

## Hornibrook, Whittemore & Allan

General Insurance and Mortgage Agents

### CALGARY

Delaware Underwriters, Philadelphia  
Equitable Fire & Marine Insurance Co.  
Germania Fire Insurance Co. of New York  
Rochester German Underwriters Agency  
Yorkshire Insurance Company Limited

Agents wanted at unrepresented points in Alberta & Saskatchewan

time, the company is giving a better service than before it obtained the new streets and routes, although there still is overcrowding at the busy hours. The company appears to be doing its best to make up for lost time, if one may judge by the feverish tearing up of streets and laying of new tracks which are in progress. The company also promises the expenditure of a large amount of money during the coming season on the construction of new cars and the improvement of facilities generally.

It is assumed that the company will require some return from the city for all this expenditure, and that the city will meet it in this respect. The whole subject is being studied by the engineering department of the city, but it is intimated at the city hall that it will be some time yet before any definite proposals will be made.

## TORONTO INSURANCE INSTITUTE

The Insurance Institute, of Toronto, has commenced its fifteenth year of activities. At the opening meeting Mr. G. P. Payne, president, delivered his inaugural address, and the large number of members present heard also an excellent address by Dr. J. L. Hughes on Modern Tendencies in Education.

## NEW BRUNSWICK GOVERNMENT BONDS

As provincial secretary, Hon. H. F. McLeod handles the finances of New Brunswick, and in a Montreal interview, he quoted Sir Frederick Taylor, manager of the Bank of Montreal in London, as saying that the eastern provinces of the Dominion have nothing to fear from their securities on the British money market, their conservative methods being much appreciated. The province of New Brunswick has a debt of about \$4,000,000, and, although the same operation could not be repeated to-day, owing to the general financial conditions of the world, the provincial secretary said that their four per cents. sold at 102.

He had been offered 98, but had declined, as they were not in pressing need of money at the present time. Later on they would have to secure another loan, but as the financial condition of the province is in excellent shape, and the resources unquestioned, there was no apprehension whatever as to the future of the province.

## DEMAND FOR QUALIFIED FIRE INSURANCE MEN

Having in mind the strides in development of the agricultural, industrial and financial interests in our Dominion, it would hardly seem to be necessary to urge upon our young men the advisability of thoroughly equipping themselves for the responsibilities and opportunities which are opening up before them. In all branches of business there is a demand for men who are qualified, and the man who has specialized in his own particular line of work is bound to obtain recognition. Owing to the large number of companies coming into Canada and the tremendous increase of population in our Great North-West, there has been a great demand for qualified fire insurance men. This demand is not by any means satisfied. From the office of the Canadian Fire Underwriters' Association alone, we have had a number of men go to important positions with largely increased salaries. Those who, by making the most of their opportunities, by studying the principles of the business in which they are engaged and developing their abilities, both mental and physical, will be those who will achieve the greatest success. The opportunities for gaining knowledge are greater to-day than ever before, and, while it may be said that success is harder to attain than in the past, there never was a time, in this country at least, where the chances for success in all lines of effort were as great as they are now.—Mr. G. P. Payne at Toronto Insurance Institute.

## INDUSTRY IN NORTHERN ONTARIO

The townships of Kendry and Haggart, situated on the Transcontinental Railway, thirty miles west of Cochrane, Northern Ontario, containing about 98,000 acres, were sold in 1912 by the Ontario government at the price of \$1 per acre cash to a company, subject to certain terms as to development and settlement. Of this sale, Hon. W. H. Hearst, minister of lands, forests and mines, says:—

"The department, being of opinion that centres of industry affording markets for natural products and creating employment for labor, are important aids in the opening up and settlement of the new country, recommended to the government that these two townships should be sold to a company composed of energetic and wealthy men, but subject to conditions which, while conserving the interests of the public, would become an industrial centre. The development already made is large and important, and fully justifies the expectations formed as to the good results which would be obtained by selling these townships. Over \$60,000 has been expended in the erection of buildings, opening of roads, etc. Hotels have been erected, and a large sawmill is in operation—the latter affording a supply of merchantable lumber, purchasable by settlers at reasonable prices—the absence of which convenience was one of the greatest drawbacks to the settlement of that country; for, without lumber to erect buildings, progress is very slow, and people are not able to provide homes for their families. Not only is there now a supply of lumber, but the company is purchasing pulp wood and other kinds of timber from the settlers, which enables them to stay on their lands during the winter season instead of being obliged to seek employment away from home."

## BANK OF COMMERCE BONUS

With the regular quarterly dividend of 2½ per cent, the directors of the Canadian Bank of Commerce have declared a bonus of 1 per cent., the second extra distribution for the twelve months which will end November 30th, 1913.

## COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station for the week ended October 17th, 1913:—  
McKinley-Darragh Savage Mines, 65,900; Cobalt Township Mines, 76,700; Cobalt Lake Mining Company, 64,090; Nipissing Mines, 131,610; total, 338,200. The total shipments since January 1st are now 31,297,176 pounds, or 15,649 tons.

In 1904 the camp produced 158 tons, valued at \$316,217; in 1905, 2,144, valued at \$1,437,106; in 1906, 5,835 tons; in 1907, 4,850 tons; in 1908, 29,360 tons; in 1909, 29,941 tons; in 1910, 34,041 tons; in 1911, 25,089 tons; in 1912, 21,509 tons.

## CIGARETTES AND FIRES

An Ottawa lumberman, whose firm has suffered rather heavily from fire in the past season, calls attention to a new danger which threatens not only the timber owner, but also the owner of property in towns and cities. This danger is the great increase of the cigarette habit. Our railways are now practically wholly constructed by foreign laborers, who are inveterate cigarette users. The cigarette requires much more constant lighting than the old-fashioned pipe, and the burning matches are thrown carelessly down wherever the man happens to be, with the result that fires get into the slash and from that into the green timber along the line of the railway. An even greater danger arises from the fact that when the man is through with the cigarette he throws the glowing stub down with equal carelessness, and fires start as a result. In towns and cities cigarette smokers throw burning stubs down gratings, over fences or into boxes or barrels. Inflammable material is likely to lie in such places, and thus our fire losses in towns as well as in the forest rise to a proportion that is nothing short of criminal.

## NO SENTIMENT IN BUSINESS; MONTREAL BENEFITS

A dispatch from Montreal to Commercial West of Minneapolis, shows that Mr. Marcy, president of the Armour Grain Company, Chicago, thinks a great deal of Montreal as a grain port. "The cost of handling our grain, elevating and all other charges inclusive, from its entrance into the port until it has been safely stowed on board an ocean liner in the harbor, ready for export, works out at six-tenths of 1 cent per bushel, as compared with 2¼ cents, that would be the cost to us in the port of New York," was his statement. He is the president of a company that controls elevators having a combined capacity of 25,000,000 bushels, as well as over 300 stations scattered throughout the grain producing states of the middle west for the purchase and temporary storage of grain for the company.

Mr. Marcy, accompanied by Mr. R. N. Burnap, general freight agent of the Grand Trunk at Chicago, was the guest of the harbor commissioners the other day, who showed him over their elevators and supplied him with information on other matters which he was anxious to obtain.

Mr. Marcy stated that the primary reason for his visit was to endeavor to comprehend how the port authorities could handle grain here at rates so low, and added that only a few years ago Montreal was not on the map, as far as grain men in Chicago were concerned, but now it was regarded as being quite the cheapest port on the North American continent from which to ship grain.

As an illustration of this, Mr. Marcy stated that a differential rate of 2 cents had been made to induce Chicago grain shippers to export their grain by way of New Orleans, and other gulf ports, but the calculations made by the shippers revealed that the differential rate would not be sufficient inducement to outweigh the attractions of Montreal, for the cost of shipping through the gulf ports would be greater, in spite of it.

"Of course," Mr. Marcy observed, "there is no sentiment in the grain business, and, if there was, American grain men would naturally be inclined to import their grain through United States, rather than through Canadian ports; but the question is simply one of dollars and cents, and, because that is so, we favor Montreal."

## MANUFACTURERS AS BORROWERS

### How New Bank Act's Clauses Deal With Subject— Borrower's Own Pledge

In view of the protracted discussion of the unregistered pledges or liens, on the security of which manufacturers and wholesale dealers are accustomed to borrow extensively, it will be worth while to take note of the clauses of the new Bank Act dealing particularly with them. The matter is covered by sections 88, 89 and 90, and subsections thereof. For the purposes of this article the discussion will be confined largely to the clauses relating to manufacturers, suggests Mr. H. M. P. Eckardt, in *Industrial Canada*.

The new act interprets "manufacturer" as follows:—"Manufacturer" includes manufacturers of logs, timber or lumber, maltsters, distillers, brewers, refiners and producers, of petroleum, tanners, curers, packers, canners of meat, pork, fish, fruit or vegetables, and any person who produces by hand, art, process or mechanical means any goods, wares or merchandise."

This interpretation is identical with the interpretation in the old act, which expired on July 1st, 1913.

Section 88 empowers the bank to lend money to any wholesale purchaser or shipper of or dealer in products of agriculture, the forest, quarry and mine, or the sea, lakes and rivers, or to any wholesale purchaser or shipper of or dealer in live stock or dead stock or the products thereof—on the security of the unregistered lien.

Subsection 4 of the new act corresponds with subsection 2 of the old. The wording of this clause has been altered.

#### Authority to Lend on Grain.

And subsection 2 contains the newly-granted authority for the bank to lend money to a farmer upon the security of his threshed grain grown upon the farm. Subsection 3 deals particularly with the manufacturer. It reads: "The bank may lend money to any person engaged in business as a wholesale manufacturer of any goods, wares and merchandise, upon the security of the goods, wares and merchandise manufactured by him, or procured for such manufacture." The wording is identical with that of subsection 3 of the old act.

Then subsection 5 of the new act provides that the security hereinbefore referred to may be given by the owner of the goods; and subsection 6 prescribes the form in which the security is to be given. These subsections correspond respectively to subsections 4 and 5 of the old act. In the old act subsection 6 merely stated that the bank, by virtue of such security, should acquire the same rights and powers in respect to the pledged goods as if it had acquired the same by virtue of a warehouse receipt.

Subsection 7 of the present act, which covers this subject, is similarly phrased; but it contains a rider which provides that the wages or salaries of persons employed by the pledger, for a period not exceeding three months, shall be a charge upon the pledged property in priority to the claim of the bank; and the bank is required to pay such wages, salaries, or other remuneration if it takes possession or disposes of the property.

Section 89 and subsections 2 and 3 are practically the same as in the old act. The section itself provides that when the bank has taken security in the aforesaid manner, or by way of a warehouse receipt, on goods which are subsequently manufactured into a different form, it has the same right and title to the manufactured goods, or the goods in process, as it had on the raw material.

Subsection 2 establishes the claim of the bank to the pledged property in preference to the claim of an unpaid vendor, except in case the unpaid vendor had a lien upon the goods at the time the bank acquired its warehouse receipt, bill of lading or pledge. However, even in that case, the clause states that if the bank is without knowledge of such an existing lien its claim would be superior to that of the unpaid vendor possessing the lien.

Subsection 3 prescribes the steps that are to be taken by the bank to safeguard the interest of its debtor if it proceeds to sell the pledged property in order to satisfy its claim. Provision is made for sale by public auction after due notice.

All these clauses, as remarked above, are practically the same as the clauses of the former act.

Also section 90 and subsection 2 are practically unchanged. Section 90 provides that the bank shall not take security in this manner to bolster up or support an old or pre-existing debt. The borrower's own pledge, the warehouse receipt, or the bill of lading, is declared to be invalid in the bank's hands unless the bank loan or advance secured thereby is negotiated or contracted at the time of the acquisition of the security by the bank; or upon the written promise or agreement that the security would be given. And the subsection provides for the conversion of the pledge or the warehouse

receipt into a bill of lading if the goods are shipped; for the conversion of a pledge or a bill of lading into a warehouse receipt, and for the exchange of one bill of lading for another.

In the course of the bank act discussion before the banking and commerce committee, Mr. H. C. McLeod stated that he considered the unregistered lien to be more in the interest of the borrower than of the bank. He said if registration was required many applicants for credit would be refused and many business men who now borrow in that way would never apply for the credits.

Mr. Gordon Waldron, in his evidence, was more disposed to dwell upon the possible injury to outside creditors when the bank has a secret lien on the manufacturer's assets. The minister of finance, in seeking Mr. Waldron's views, stated that as he understood it the business done under section 88 was as follows: "A manufacturer obtains his raw material and desires to pay cash for it. He obtains a loan from the bank to make that payment. He gives a lien to the bank on that raw material, and that lien is a continuing lien upon that raw material, transformed into the finished product, and until sold; and then the bank debt is liquidated."

Mr. Waldron insisted that the process was somewhat different. "What takes place," said he, "is that the debtor buys merchandise for the purpose of manufacturing it into goods. He receives from the bank money to pay for it and gives the lien upon it. He manufactures the goods, or partly manufactures them, and renews the lien. The goods disappear and other goods come in; and, in practice, track is lost entirely of the original goods, but the lien is made to cover other goods and all goods that he may have in his possession then or thereafter."

His claim was that the exercise of this banking function tended to unduly stimulate manufacturers and to fix banking assets which ought to be liquid. This witness also enlarged upon the matter of the injury done to outside creditors of the manufacturer in some cases when the bank had a secret lien covering practically everything.

#### Facilities for Manufacturers.

Mr. Joseph Henderson, vice-president of the Bank of Toronto, explained to the committee the circumstances under which the unregistered liens were added to the banking law. They were introduced at the time the national policy was adopted. "The Government desired to give greater facilities to manufacturers, and the impelling motive that led to these clauses being put into the act was to enable the manufacturers who had to put a great deal of capital into buildings, and who required an additional amount of working capital, to carry on their business; it enabled them to go to the bank and upon the security of their raw material they could obtain an advance to cover the period of the working up of these goods in process of manufacture and distribution." He says the original intention was to keep this confined to large transactions by fairly large manufacturers who had capital; and he thought the practice should not be carried too far.

Sir Edmund Walker also gave an explanation of the working of the lien in connection with manufacturers' accounts. He began by saying that the manufacturers of Canada are well enough off not to need this kind of help now to any great degree. He then took the case of the maker of an article in which wood and steel enter largely, and which is made up and sold to the farmer at a certain season. Quoting from his evidence: "The expense of buying the raw material and paying for the wages goes on from the beginning of the manufacturing season until the moment when the goods are delivered, and even then the bank has to wait, of course, the final payment by the buyer of the article. In the early days when a manufacturer began with a capital of \$50,000—and that was quite a large capital then—he might turn out products in one year to the extent of \$200,000. And the banks in those days might lend \$125,000 or \$150,000 to a manufacturer whose capital was only \$50,000, on his pledge, when they saw that the money they lent was used in payment of the lumber, the steel, and the wages."

While he thought the clauses are not now so much needed perhaps as in former days, Sir Edmund considered that it would be a great harshness to the small manufacturer who is trying to start in competition with the larger concerns, if through the abolition of these clauses of the Bank Act he was prevented from getting the same kind of help that his competitors once had.

The Furness liner *Queen Wilhelmina* recently arrived at Montreal from Hamburg with a full cargo of beet-sugar, consigned to the Canada Sugar Refining Company. She is the fifteenth sugar-boat to arrive there this season, though most of the former vessels with sugar as their cargo have come from the West Indies. The next arrival will be that of the direct liner *Serrana*, which sailed from Barbados for Montreal on October 18th.

# DIVIDENDS AND NOTICES

## THE MEXICAN LIGHT AND POWER COMPANY, LIMITED

NOTICE IS HEREBY GIVEN that a dividend has been declared of Three and One-half per cent. (3½%), (being at the rate of Seven per cent. (7%) per annum) on the Preference Shares of the Capital Stock of the Mexican Light and Power Company, Limited, for the six months ending October 31st, 1913, payable on the 1st day of November, 1913, to shareholders of record at the close of business on the 11th day of October, 1913.

That the transfer books of the Company for the Preference Shares will be closed from the 13th day of October to the 31st day of October, 1913, both days inclusive.

Dividend cheques for shareholders will be payable at par at the Canadian Bank of Commerce, Toronto, Canada; New York City, New York; London, England; Mexico City, Mexico; and its Branches.

By order of the Board,  
W. E. DAVIDSON,  
Secretary.

Toronto, Canada, 27th September, 1913.

## The Consumers' Gas Company of Toronto

THE ANNUAL GENERAL MEETING of the Stockholders of the Consumers' Gas Company of Toronto, to receive the Report of the Directors, and for the Election of Directors for the ensuing year, will be held in the Company's Board Room, No. 17 Toronto Street, on Monday, the 27th of October, 1913, at 12 o'clock noon.

ARTHUR HEWITT,  
GENERAL MANAGER.

## MURRAY-KAY, LIMITED

Notice is hereby given that the regular quarterly dividend of one and three-quarters per cent. (being at the rate of seven per cent. per annum) has this day been declared on the preferred shares of the Company for the quarter ending October 31st, 1913; said dividend to be paid on the **first day of November next** to the shareholders of record at the close of business on the 20th day of October, and that the transfer books of the Company will be closed from the 21st to the 31st day of October, both days inclusive.

By order of the Board,  
J. E. FEATHERSTONHAUGH,  
Secretary.

Toronto, October 16th, 1913.

## CARRIAGE FACTORIES, LIMITED PREFERRED STOCKHOLDERS' DIVIDEND No. 13

Notice is hereby given that a dividend of 1½ per cent. for the quarter ended 15th October, 1913, being at the rate of 7 per cent. per annum, on the paid-up Preferred Stock of this Company, has been declared, and that the same will be paid on the 31st day of October to the Preferred Shareholders of record on the said 15th day of October, 1913.

By order of the Directors,  
W. F. HENEY,  
Secretary.

The following companies in Ontario decreased their capital last year: Erie Ice Company, Limited, from \$40,000 to \$11,505; Fairbanks-Morse Canadian Manufacturing Company, Limited, from \$500,000 to \$10,000; Thames Valley Garden Land Company, Limited, from \$900,000 to \$400,700;

## THE MERCHANTS BANK OF CANADA

### QUARTERLY DIVIDEND

Notice is hereby given that a dividend of Two and one-half per cent. for the current quarter, being at the rate of ten per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and that the same will be payable at its Banking House in this city and at its Branches, on and after the 1st day of November next, to Shareholders of record at the close of business on the 15th day of October.

By order of the Board,  
E. F. HEBDEN,  
General Manager.

Montreal, 26th September, 1913.

## MEXICO TRAMWAYS COMPANY.

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾ per cent.) has been declared on the Capital Stock of the Mexico Tramways Company, payable on the 1st day of November, 1913, to shareholders of record at the close of business on the 22nd day of October, 1913:—

That the stock transfer books of the company will be closed from the 23rd day of October to the 31st day of October, 1913, both days inclusive.

Dividend cheques for shareholders will be payable at par at the Canadian Bank of Commerce, Toronto, Canada; New York City, New York; Mexico City, Mexico; London, England, and its branches.

The holders of Bearer Share Warrants on detaching from their Share Warrants coupon No. 18, and lodging such coupon or coupons at the Canadian Bank of Commerce in Toronto, Montreal, New York City, or London, England, on or after the 1st day of November, 1913, will receive in exchange for each coupon the sum of \$1.75, representing the amount of the dividend.

By Order of the Board,  
W. E. DAVIDSON,  
Secretary.

Toronto, Canada, 11th October, 1913.

## PENMANS, LIMITED

### DIVIDEND NOTICE

A quarterly dividend of 1½ per cent. on the Preferred Shares of the capital stock of this Company has been declared payable **November 1st, 1913**, to shareholders of record of October 21st, 1913; also a quarterly dividend of 1 per cent. on the Common Shares of the capital stock of this Company has been declared payable **November 15th, 1913**, to shareholders of record of November 5th, 1913.

By order of the Board,  
C. B. ROBINSON,  
Secretary-Treasurer.

## THE ROYAL BANK OF CANADA

### DIVIDEND No. 105

Notice is hereby given that a dividend of three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after **Monday, the 1st day of December next**, to shareholders of record of 15th November.

By order of the Board,  
E. L. PEASE,  
General Manager.

Montreal, P.Q., October 17th, 1913.

Light, Heat and Power Company, of Lindsay, Limited, from \$300,000 to \$150,000; Robins, Limited, from \$500,000 to \$50,000; Northern Ventures, Limited, from \$5,000,000 to \$500,000, and Broadview Hotel Company, Limited, from \$100,000 to \$50,000.





### SHOULD FIX RESPONSIBILITY FOR FIRES

#### Improvement in Toronto Conditions—Need of Common-sense Methods in Preventive Measures

There is a movement on foot which has been developing for some years in the United States, and is beginning to be felt in Canada, which will probably have very wide-reaching influence on the business of fire insurance. That is the movement for fire prevention, said Mr. G. P. Payne, president of Toronto Insurance Institute, in his inaugural address. At the last meeting of the National Fire Protection Association, held in New York, there were represented some 26 state associations, which are engaged in the work of fire prevention. In Ontario an association for this purpose has been formed, with Mr. John B. Laidlaw, manager of the Norwich Union Fire Insurance Society, as president. The importance of this work, and the need for the active co-operation by all associations of business men, will be apparent when it can be shown that the per capita loss by fire in this country rises to an amount of over \$2.50 per annum, while in a number of large foreign countries the per capita loss varies from only 30 cents to 50 cents per annum.

#### Improvement Shown in Toronto Buildings.

It is rather a curious fact that the public generally do not recognize the real import of our fire waste, but the comparison is so marked, and the figures so enormous, that we must not let pass a single opportunity to bring ourselves and the public generally to a realization of this tremendous waste. Insurance men well know that the losses are not in reality borne by the insurance companies, but are a burden upon the country at large. Destruction by fire is a complete loss, although the public are too often content to know that risks are covered by insurance, and there is necessity of bringing the people to a realizing sense of responsibility in this matter. The public is always complaining that rates are too high, although the remedy for this lies largely in its own hands, and it is quite possible to change high rates to low ones.

The conflagration of April 10th, 1904, in Toronto, has resulted in the erection of a superior type of building and the result has been a lower rate of premium, so much so that almost all new warehouses and factories, of any importance, are

now built of fireproof or slow burning construction. Many are equipped with sprinkler installations, which tend to further reduce the rates. In doing this they are also reducing the general fire hazard, as sprinklered risks and fireproof buildings are splendid fire stops.

The loss of life from fires in this country is also large and although we have not had any very great loss of life such as that of the Triangle Waist Factory in New York, where 147 workers, mostly girls, lost their lives, the possibility of such an occurrence is painfully apparent in a number of our factories.

#### Modern Needs are Shown.

They who see this menace must work together to prevent these great losses. If conflagrations are to be prevented, there must be fire resistive or slow burning construction, so that our fire departments may confine the fire to the building in which it starts. Inflammable roofs and superstructures breeds conflagrations from flying sparks and embers. Unprotected window openings allow the spread of fires from building to building. Frame sheds and additions in the rear of otherwise fairly good fire-resistive buildings carry the fire from one building to another. Good internal protection such as is afforded by automatic sprinklers is perhaps the best method of confining a fire to the building in which it originates, but where this cannot be attained, protected vertical openings, fire extinguishers, inside standpipe and hose (of a size to be easily handled by an ordinary individual), and fire pails, which are readily accessible, will frequently control a fire in its incipency, which otherwise might prove serious and even result in a conflagration.

There is just one way by which the appalling loss of life and property by fire can be put a stop to, and that is by educating public opinion so that we can look upon this unnecessary loss as we do on manslaughter and stealing, as a crime rather than a misfortune. Until this is done it would appear that no real progress can be made. The man who has a fire, instead of being looked upon as an unfortunate, will be regarded as a public offender.

#### Many Fires Caused by Incendiarists.

Under the laws of France a man is responsible to his neighbors for a fire originating in his buildings, which damages the neighbors' property. The landlord is responsible to his tenant if it can be shown that the accident was occasioned by some defect in the building, or neglect of its proper upkeep. On the other hand, the tenant is responsible to the landlord, not only for the damage done, but also for the loss of rent, not only his own rent, but that of other tenants. It is not probable that such a law could be enacted in this country, but it would appear that some method that would fix the responsibility for fire is required.

An educative and publicity campaign is now being actively pressed throughout the most of the states and no doubt our own fire prevention association is preparing to take steps along the same lines. Boards of trade and business men's associations generally are being addressed by able speakers, and a most comprehensive work of public education on the fire waste is being made. In addition to such a campaign in the province an important consideration is the matter of incendiarism. There is no doubt that hundreds of fires result from this, but how few of them are traced to this origin, and what small percentage of the criminals have been arrested. This is a matter for the provincial government to take in hand and I understand that something is now being done towards having a fire commissioner for Ontario. In Manitoba there has been a fire marshal for some years with a gratifying decrease in fire losses generally throughout the province.

#### BRAZILIAN SECURITIES SUFFER

The security selling and depression which have come as a result at bottom of the Balkan wars have centred around a group of Brazilian securities, says a cable to the New York Annalist. The trouble is that a bull account in them had been built up during a period of several years of exceptional prosperity, assiduously advertised. Big schemes of construction had been undertaken, notably that of enterprising concerns led by the Brazil Railway Company. The slump in rubber came too quickly to let the bulls escape, and the market is perpetually being hammered by fresh forced liquidation. Everything Brazilian suffers; Government stocks, because it is feared that the fall in the revenue may lead to a suspension of sinking funds; railway and utility stocks, because of the paralysis of trade. This is the real weak spot in our markets. The slump in the scrip of the Rothschild loan, in Brazil Railway common stock, and the flatness of Leopoldinas, Brazil Traction, Rio Trams, and the older Government stocks—these have made a hole which has to be filled up by heavy sacrifices elsewhere.

# BANKING

## CHARTERED ACCOUNTANCY HIGHER ACCOUNTING COST ACCOUNTING

These are courses given under the direction of able experts, and appeal to

# EVERY BANK OFFICER BOOKKEEPER ACCOUNTANT

who is ambitious to rise higher and receive greater recognition in his profession.

- ☞ The officers of several of Canada's leading banks are studying with us.
- ☞ 100% of the successful final Ontario C.A. men in 1913 were our students.
- ☞ The leading bookkeepers of Canada are our students.

# INVESTIGATE

Mark the course you want—fill in name and address—cut out this ad. and mail to-day.

Name .....

Address .....

## THE SHAW CORRESPONDENCE SCHOOL TORONTO, CANADA

M.T.

**DOMINION GOVERNMENT SAVINGS BANKS**

Statement of the Balance at Credit of Depositors on September 30th, 1913.

BANK	Deposits for Sept., 1913	Total Deposits	Withdrawals for Sept., 1913	Balance on 30th Sept., 1913.
	\$ cts.	\$ cts.	\$ cts.	\$ cts.
<b>Manitoba—</b> Winnipeg.....	9,058.00	631,008.89	12,526.46	618,482.43
<b>British Columbia—</b> Victoria.....	36,832.00	1,083,239.90	48,015.25	1,035,224.65
<b>Prince Edward Island:</b> Charlottetown.....	28,830.00	1,997,888.87	58,244.49	1,939,644.38
<b>New Brunswick:</b> Newcastle.....	1,792.00	292,597.70	2,227.40	290,369.70
St. John.....	78,742.35	5,722,789.52	103,614.55	5,618,974.97
<b>Nova Scotia—</b> Acadia Mines.....				
Amherst.....	6,434.00	379,086.41	6,559.28	372,527.13
Arichat.....				
Barrington.....	5.00	151,261.91	2,387.10	148,874.81
Guy'sboro.....	1,947.74	125,705.12	1,918.98	124,686.14
Halifax.....	35,808.91	2,475,338.90	31,942.44	2,443,396.46
Kentville.....	3,019.49	256,262.25	5,077.14	251,185.11
Lunenburg.....	2,110.00	118,286.30	4,242.56	114,043.74
Pictou.....				
Port Hood.....	480.00	104,893.81	630.00	104,263.81
Shelburne.....	1,625.99	216,744.63	3,847.66	212,896.97
Sherbrooke.....	1,571.00	93,345.15	1,996.61	92,248.54
Wallace.....	932.00	131,393.21	2,545.35	128,847.86
<b>Totals:</b>	<b>208,835.48</b>	<b>14,079,615.97</b>	<b>283,975.27</b>	<b>13,795,640.70</b>

**POST OFFICE SAVINGS BANK ACCOUNT**

(AUGUST, 1913).

DR.	\$ cts.	CR.	\$ cts.
BALANCE in hands of the Minister of Finance on 31st July, 1913....	42,027,632.06	WITHDRAWALS during the month.....	1,063,423.72
DEPOSITS in the Post Office Savings Bank during month.....	1,135,035.57		
TRANSFERS from Dominion Government Savings Bank during month:—			
PRINCIPAL.....	114,689.18		
INTEREST accrued from 1st April to date of transfer...			
TRANSFERS from the Post Office Savings Bank of the United Kingdom to the Post Office Savings Bank of Canada.....	24,410.06		
INTEREST accrued on Depositors accounts and made principal on 30th April, 1913 (estimated).....			
INTEREST allowed to Depositors on accounts during month.....	6,049.15	BALANCE at the credit of Depositors' accounts on 31st Aug., 1913.....	42,129,703.12
	<b>43,193,126.84</b>		<b>43,193,126.84</b>

**MONTREAL STOCK EXCHANGE—UNLISTED SECURITIES**

Capital in thousands			MINES	Dividend	Price Oct. 15 1913	Sales week end'd Oct. 15	Price Oct. 22 1913	Sales week end'd Oct. 22	Capital in thousands			Miscellaneous—contin'd	Dividend	Price Oct. 15 1913	Sales Week ended Oct. 15	Price Oct. 22 1913	Sales Week ended Oct. 22
Auth'oriz'd	Iss'd	Par Value							Auth'oriz'd	Iss'd	Par Value						
3,000	3,000	5	Hollinger.....	15		140		325	15,000	12,600	100	Mexico Northern Power					30
3,000	3,000	1	Porcupine Crown.....	1½		375	1½	750	10,000	10,000	100	... bonds	5		2000		
3,000	3,000	100	<b>Miscellaneous</b>						40,000	25,000	100	Mexico North Western Rly...					
4,000	4,000	100	Asbestos Corp. of Canada...	6			9		5,000	4,121	100	... bonds	5				
5,000	3,000	500	"    "    bonds	5			21		1,000	1,000	100	Mex. Mahogany & Rub. Corp.					
1,250	750	100	"    "    "    bonds	5			70		600	470	100	... bonds	6				
1,000	850	100	Beld, Paul & Corti. Silk Co...	7					20,002	20,002	100	Mont. Tramway Power Co...		38½	715	40	39
1,000	750	100	"    "    "    pref.	5			20		2,000	2,000	100	National Brick.....com.	6	50	130	50½	50
1,000	750	100	"    "    "    bonds.	7					3,000	1,500	100	... bonds	6		7500		1000
1,000	750	100	British Can. Cannery, Ltd...	5					6,000	6,000	100	Nova Scotia Steel Bonds...	5				
1,000	750	100	"    "    "    bonds.	6			35		3,000	1,500	100	Ontario Pulp Co'y.....					
1,500	500	500	Can. Felt.....com.	6					2,500	1,500	100	... bonds	6				
500	500	100	"    "    "    bonds	6					1,750	1,750	100	Peter Lyall Construction Co.					
8,000	6,000	100	Can. Light & Power.....	7					1,500	1,300	500	... pref.					
4,000	4,000	100	"    "    "    bonds	7					1,250	1,250	1000	... bonds					
15,000	12,244	100	Can. Coal & Coke.....com.	5			12		5,000	5,000	100	Price Bros.....					
500	4,347	100	"    "    "    bonds	5					6,000	4,866		... bonds	5				
1,000	1,000	1000	Can. Venezuelan Ore.....	6					5,000	3,000	100	Prince Rup't Hydro Elec. Co					
1,000	6,440	100	"    "    "    bonds	6					3,000	2,500	500	... bonds	5				
10,000	2,000	1000	Dominion Bridge Co'y.....	8					1,500	1,048	100	Sherbrooke Rly. & Power Co.					
2,000	1,000	100	Hillcrest Collieries.....	7					1,500	1,048	500	... bonds	5				
1,000	705	100	"    "    "    pref.	7					1,000	750	100	Toronto Paper Co.....					
3,000	3,000	100	MacDonald Co'y, Ltd.....	7					500	500	100	... bonds	5				
3,000	2,000	100	"    "    "    pref.	7					5,000	3,000	100	Western Can. Power.....		59½	15	52½	55
									5,000	5,000	100	Wayag'm'k Pulp & Paper Co			75	24½	24
									5,000	3,000	100	... bonds	6	75	8000		2000

**GOVERNMENT FINANCE**

PUBLIC DEBT		1913	REVENUE AND EXPENDITURE ON ACCOUNT OF CONSOLIDATED FUND	Total to 30th Sept., 1913
LIABILITIES—		\$ cts.	REVENUE—	\$ cts.
payable in Canada.....		2,256,036 50	Customs.....	57,851,637 41
Temporary in England.....		258,679,819 47	Excise.....	10,714,626 07
Bank Circul'n Redemp. Fund.....		4,895,666 66	Post Office.....	5,450,000 00
Dominion Notes.....		5,511,288 30	Public Works, Railways & Canals	8,037,105 02
Savings Bank.....		113,531,169 90	Miscellaneous.....	4,811,347 68
Trust Funds.....		55,773,990 06	Total.....	86,877,716 18
Province Accounts.....		9,891,723 45		
Miscel. and Banking Accounts		11,920,481 20	EXPENDITURE.....	48,697,091 27
Debt.....		31,513,662 80		
ASSETS—		493,944,838 35	EXPENDITURE ON CAPITAL ACCOUNT, ETC.	
Investments—Sinking Funds.....		14,409,167 52	Public Works, Railways & Canals.	14,241,055 51
Other Investments.....		57,513,457 82	Railway Subsidies.....	9,846,797 95
Province Accounts.....		2,296,327 90		
Miscel. and Banking Accounts.....		120,138,609 77		
Total Assets.....		194,357,563 01		
Total Net Debt to 30th Sept.....		299,587,275 34		
Total Net Debt to 31st August.....		301,708,845 89		
Decrease of Debt.....		2,163,620 55		
			Total.....	24,137,853 46

**INLAND REVENUE (August, 1913)**

SOURCE OF REVENUE	Amounts
EXCISE—	\$ cts.
Spirits.....	722,651 15
Malt Liquor.....	13,955 80
Malt.....	181,658 84
Tobacco.....	799,151 31
Cigars.....	51,208 63
Manufactures in Bond.....	11,222 47
Acetic Acid.....	1,084 69
Seizures.....	87 90
Other Receipts.....	6,427 34
Total Excise Revenue.....	1,786,350 73
Methylated Spirits.....	9,051 91
Ferries.....	
Inspection of Weights and Measures.....	10,809 07
Gas Inspection.....	5,038 60
Electric Light Inspection.....	2,417 00
Law Stamps.....	303 75
Other Revenues.....	424 70
Grand Total Revenue.....	1,817,395 39

STOCKS AND BONDS - MONTREAL

VANCOUVER STOCK EXCHANGE table with columns for Cap. in thou's, Par value, LISTED, Oct. 17 1913, and various stock entries.

WINNIPEG STOCK EXCHANGE table with columns for Cap. in thou's, Par value, LISTED, Price Oct. 18 1913, and various stock entries.

Main table with columns for Capital and Rest in thousands, Author-ized, Issued, Rest, Par Value, BANKS, COMPANIES Trust, Loan, Transportation, Tel., Light, Electr., Power, and TORONTO/MONTREAL price columns.

DO you need a Bond Salesman, an Insurance Agent, or a Representative? Insert "Condensed Ad." in THE MONETARY TIMES and reach the best men.

Vertical text on the right edge of the page, possibly a page number or reference.

TORONTO AND WESTERN CANADA

STOCKS & BONDS—Continued

Main table containing stock and bond listings for Toronto and Montreal, including columns for Industrial, Price, Dividend, Sales, and various bond types like Iron, Steel, and Textile.

CANADIAN SECURITIES IN LONDON

Table with columns: Dom., Prov. & Mun. Government Issues, Railroads, Railroads-(Cont'd), Banks, Land Companies, Loan Companies, Mining Companies, Miscellaneous Co's, Miscellaneous-(Cont'd), Newfoundland Securities. Includes various security listings with prices and dates.

STOCKS AND BONDS TABLE-NOTES

(e) Ex-Rights. (h) Half-yearly. (u) Unlisted.
All companies named in the tables will favor The Monetary Times by sending copies of all circulars issued to their shareholders, and by notifying us of any errors in the tables.
\*\* Trethewey pays no regular dividend. They have paid:—1906, 4%: 1907, 4%: 1908, 15%: 1909, 25%: 1910, 10%: 1911, 20%: 1912, 10%.
Montreal prices (close Thursday) furnished by Burnett & Company, 12 St. Sacrament Street, Montreal.
\* \$20,000 of this was redeemed April 1st, 1913.
Figures in brackets indicate in footnotes date on which books close for dividends, etc.
(1) Nov. 17-30 (2) Oct. 13-31 (3) Nov. 1-17 (4) Oct. 17-31 (5) Oct. 23-31 (6) Oct. 23-31 (7) Nov. 1-10



## ALBERTA WILL ISSUE BONDS

## They Will Be Floated to Provide for Elevators, Telephones and Public Works

The Alberta legislature at the present session will be asked to vote one million dollars for the erection of farmers' elevators in the province, one million dollars for telephone extensions, and one million six hundred thousand dollars for public works.

Estimates of receipts and expenditure for the province of Alberta for the year 1914 were tabled in the Alberta legislature by Premier Sifton, showed an estimated surplus of receipts over expenditure of \$1,217,220, as compared with an estimated surplus during the current year of \$1,055,305.53.

The total estimated receipts for the year 1914 are \$9,731,350, as compared with \$10,610,884.53, the estimated revenue for the current year. The total estimated expenditure is \$8,514,130 for the year 1914, as compared with \$9,555,579, the estimated expenditure for the current year.

## Details of Estimates

## ESTIMATED EXPENDITURE.

	1914.	1913.
Public debt, amount to be voted . . . . .	\$ 675,000	\$ 565,000
Civil government . . . . .	441,640	385,964
Legislation . . . . .	121,000	88,580
Administration of justice . . . . .	719,280	652,960
Public works, chargeable to income ..	578,000	535,500
Public works, chargeable to capital ..	2,024,100	2,439,415
Education . . . . .	762,610	726,960
Agriculture and statistics, chargeable to income . . . . .	543,500	523,700
Agriculture and statistics, chargeable to capital . . . . .	326,000	41,000
Hospitals, charities and public health	152,000	134,000
Telephones, chargeable to income ..	900,000	750,000
Telephones, chargeable to capital ..	1,000,000	2,000,000
Public institutions . . . . .	226,500	200,000
Miscellaneous . . . . .	44,500	507,500
Totals . . . . .	\$8,514,130	\$9,555,579

## ESTIMATED RECEIPTS.

	1914.	1913.
Estimated balance from 1913 . . . . .	\$ 859,175	\$ 33,134.99
Dominion subsidy . . . . .	1,440,375	1,260,105.40
School lands fund . . . . .	260,000	250,000.00
Treasury department . . . . .	2,915,000	4,330,894.14
Attorney-General's department . . . .	1,260,300	962,250.00
Provincial secretary's department ..	350,000	285,000.00
Public works department . . . . .	200,000	127,500.00
Education department . . . . .	5,000	7,500.00
Agriculture department . . . . .	318,500	317,000.00
Railways and telephones . . . . .	2,000,000	2,800,000.00
Municipal affairs department . . . . .	110,000	226,500.00
Legislative assembly . . . . .	5,000	6,000.00
Government printer . . . . .	8,000	5,000.00
Totals . . . . .	\$9,731,350	\$10,610,884.53

## Fifty More Elevators.

Referring to the items in the estimates Premier Sifton said \$300,000 would be spent this year in connection with Alberta Co-Operative Elevators. Fifty elevators are in operation and fifty more would be built next year. The erection of these elevators would go on until the farmers of the province had the proper accommodation for the housing and marketing of their grain, without being robbed of the profits that rightfully belonged to them as the reward for their labors.

The government had expended in connection with the telephones of the province \$8,000,000 and provision made for an additional expenditure of \$1,000,000 next year. Notwithstanding the fact that the telephones were mainly built through new and sparsely settled country the operation of the telephones in the province would this year show a surplus of \$100,000, after paying interest on capital and operation and maintenance charges.

## Two Thousand Miles of Railroad.

It was intended to carry on the same policy of extending this great public utility in future years. Some increase in the rates might be necessary but the government would keep them down to the lowest basis consistent with the economic operation of the system.

With regard to railway development the premier said the construction during the year had not been as extensive as had been hoped, but by the end of 1913 his prophecy that 500 miles would be completed would be an accomplished fact. By that time also there would be actually completed 2,000 miles of railway built under the guarantee of the province. He believed that it was essential that this assistance should be extended and extended liberally.

## TRUSTEES AND MUNICIPAL BONDS

## Burnaby's Hypothecation Troubles—Hamilton and Montreal Finances

The British Columbia provincial government is to be urged to alter the legislation regarding the investment of trust funds. Under the existing act, trustees cannot invest funds in municipal debentures unless the interest and payment has been guaranteed by the government. It is claimed that this is the only province in Canada carrying such a restriction and that its obliteration would tend to the easier marketing of municipal debentures.

## Burnaby's Debenture By-laws.

Councillor Macpherson, discussing the Burnaby debenture further hypothecation by-law, 1913, protested against removal of restrictions as to the price at which Burnaby's bonds may be sold by the Royal Bank of Canada and the abolition of a time limit. In a previous by-law for the hypothecation of \$1,391,000 worth of municipal bonds as security for a loan by the Royal Bank of Canada, the minimum price at which 4½ per cent. bonds could be sold, was fixed at 70 and for 5 per cent. bonds 80 was fixed. Since that by-law was submitted, further loans have been made by the bank, and it is proposed to remove the restrictions as to price and time when the bonds may be sold, Reeve McGregor and Councillor Fau Vel, chairman of the finance committee, stated that the previous hypothecation by-law was to cover a loan of \$570,000 from the bank. Later the bank advanced a further \$150,000 on condition that it be repaid out of the taxes. The bank agreed, however, to allow the taxes to go towards retiring treasury notes and also advanced an additional \$33,000 and it was to give the bank security for the additional money owing to the bank that the further hypothecation by-law was necessary. Councillor Fau Vel stated that the municipality needed \$200,000 to pay workmen and to meet other liabilities.

## Hamilton and Montreal Finances.

According to figures prepared by Mayor Allan, Hamilton taxpayers will be asked to sanction the following expenditures during 1914, totalling \$2,360,000:—Local improvements, \$700,000; storm sewer, \$650,000; Hydro extensions, \$335,000; new hospital, \$200,000; waterworks improvements, \$150,000; old hospital, \$100,000; schools, \$100,000; sanatorium, \$75,000; library, \$50,000.

According to the Montreal controller auditor's annual report, the total receipts of the city for the year 1912 were \$26,754,224.22 and the total expenditure \$26,256,276.83, leaving a balance of \$497,947.39. The continued rise in value of real estate, says the report, has increased the revenue derived from that source and from personal taxes beyond expectations, there being an excess of \$1,533,823.25 over the receipts of 1911. This has enabled the corporation to provide amply for the needs of the public service, although the cost of administration has increased from \$7,700,000 in 1911 to \$9,300,960 in 1912.

Edmonton school board has received the proceeds of its 40-year debentures, issued last spring. The original issue was for \$1,250,000, but the sale of small parcels of the bonds amounting to \$200,000, has been effected from time to time.

Messrs. G. A. Stimson & Company, debenture brokers, of Toronto, have just completed the purchase of \$1,800,000 city of Vancouver, B.C., 4½ per cent. local improvement debentures, maturing in 10, 15 and 20 years. The bulk of these were sold in the United States.

## DEBENTURES AWARDED

**Welland, Ont.**—\$60,000 5 per cent. 30 years to Dominion Securities Corporation, Toronto.

**Medicine Hat, Alta.**—\$150,000 school debentures to Messrs. W. A. McKenzie & Company, Toronto.

## CANADA POWER AND PULP BONDS

Bonds amounting to \$254,400 of the insolvent East Canada Power and Pulp, at present deposited in the vaults of a La Banque Nationale, will remain tied up as a result of a seizure taken out by Messrs. Badel Freres, bankers and brokers, of Paris. The bonds became the property of certain French investors at the time of the flotation of the company. They subsequently were transferred to Canadian buyers and were transmitted to Montreal through the National Bank. Stanislas D. J. B. Badel, H. M. F. Ducout, A. B. Badel and A. J. Ducout, who are doing business in Paris under the firm name of Badel Freres, now lay claim to the bonds as security in certain proceedings pending over the flotation of the company.