

The Chronicle

Banking, Insurance & Finance.

ESTABLISHED JANUARY, 1881

R. WILSON-SMITH, Proprietor

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RETAILERS, JOBBERS AND MANUFACTURERS.

AS to moderateness of trade recession, the Dominion's experience during the past year paralleled more nearly that of the Middle West than of the Eastern States. Certain figures relating to Chicago, for instance, indicate business conditions somewhat similar to those which obtained in Canada during 1908. Bank clearings in the big inland city showed a decline of but 5 per cent. from the 1907 showing; jobbers' sales to retailers fell off about 12 per cent.; while manufacturing output declined 25 to 35 per cent. Evidently, therefore, the year was one for "cleaning up" all along the line. The general public—partly from economy, partly from necessity—bought less from the retailer. But the falling-off in such buying was less pronounced than in the purchases made by retailers from wholesale jobbers—the shopkeeper deeming it wise to reduce the volume of goods upon his shelves during months of business uncertainty. And the jobber in turn set about cleaning up existing stocks before calling upon the factories for fresh supplies.

HOW THESE HAVE FARED IN CANADA.

IN Canada, bank clearings fell off scarcely more than 4 per cent. during 1908 as compared with 1907; current loans on the part of the chartered banks were reduced about 10 per cent. in volume, while imports from abroad declined about one-third. While the two last-mentioned ratios at first sight have but little correspondence to the figures relating to Chicago, they furnish some indication of the same general trade trend. Day-by-day selling to the public has certainly shown less falling-off during the year than the disposal of goods from wholesalers' stocks. That the curtailing in wholesalers' purchases from manu-

facturers has been the most pronounced of all, is indicated clearly enough by the reduced showing in imports from abroad—such trade consisting as it does largely in manufactured goods.

Few retailers are to be found with complaints as to recent holiday trade. Everywhere are to be heard expressions of gratification with improvement over business done during December, 1907. Autumn harvest results brought assurance that the worst was certainly past. This may, in some cases, have made the Christmas feeling of "expense-go-hang" over-pronounced; in general, however, holiday trade was marked by a large volume of moderate buying rather than by extravagance in individual purchases.

PRESENT OUTLOOK. COMMERCIALLY.

ALTOGETHER, Canada's commercial outlook seems one of steady continuance in demand for commodities on the part of the buying public. A demand somewhat more discriminating and less wasteful than that obtaining fourteen or fifteen months ago; and a demand which, on that very account, will contribute to trade stability rather than to any industrial boom.

An instance of alert gauging of business volume was shown in the October increase of imports. Due largely, no doubt, to the bringing in of goods for holiday trade, it did not indicate that wholesalers were beginning to count on rapid general expansion. And November foreign trade returns—considered discouraging by some observers—are therefore to be taken as indicating that importing and manufacturing concerns will continue to display caution in adapting supply to probable demand. But certainly the past year must have so thoroughly cleaned up any previous over-supply, that from now on moderate trade activity should be the order of the day.

Railway Construction.

During 1908, activity in railroad building in the United States was some 40 per cent. less than in 1907. Canadian construction, on the other hand, was increased more than 20 per cent. The addition of some 1,300 miles during the year brought the aggregate mileage up to about 23,750. Further, there are now under contract nearly 4,500 miles, according to the Minister of Railways and Canals. While only part of this mileage will be completed during 1909, it is estimated that the expenditure on construction by the various lines will reach considerably over \$75,000,000. This means much, surely, to general business conditions.

The Grand Trunk Pacific progresses apace. Regular trains between Port Arthur and Edmonton will be scheduled in a few months. In the East, too, work on the National Transcontinental is steadily being extended. The Canadian Pacific, according to Vice-President Whyte, contemplates extensive work in the West, from now on; nor does this system neglect the East. Both it and the Grand Trunk made important increases in mileage in the older provinces during 1908. The Canadian Northern continues its tireless interlacing of routes East and West, and is rapidly taking its place with its rivals among the greater systems of the continent.

That there is justification for railroad growth in Canada seems beyond doubting. This is not to say, however, that the greatest care should not be exercised in deciding upon every mile projected. Even in Canada, it is scarcely advisable to put a railway "any old where," or any new where either.

The Limitations of Domestic Capital.

A country in so actively developmental a stage as Canada, must necessarily depend largely upon outside capital. It is no sign of weakness; but a means of strength, so long as the test is rigidly applied of economical expenditure in profitable undertakings. The chartered banks fulfil their function in serving the current needs of industry and transportation. Normally they can have but little money available for meeting the capital expenditure in corporate, municipal and national development. And thus it is that less than 3 per cent. of the total assets of the banks is in Dominion, provincial or municipal securities. As to loan and trust companies—as Managing Director E. R. Wood, of the Central Canada Loan & Savings Company, recently pointed out in Toronto—they meet the needs of the individual borrower rather than those of corporate undertakings. Through their aid, in the form of mortgages, "farms are improved, buildings erected, new land bought and working conditions made more effective; while in the towns and cities they advance funds for meeting the expanding needs of

dwelling accomodation and general development." And even this accomodating of domestic borrowers is accomplished largely by capital from abroad. The loan companies of Ontario have debentures outstanding to the amount of over \$38,000,000 payable abroad (virtually all in Scotland); those payable in Canada are considerably less than half that amount.

The Home Demand for Canadian Securities.

The most important Canadian institutional investors in securities are, of course, the insurance companies including branches of American and British companies. But these, according to Mr. E. R. Wood, devote only about one-third of their total assets to the purchase of Canadian bonds—a large part of their investments being in mortgages.

Supplementing the security buying of insurance companies, savings banks and other financial institutions, there is, of course, that of individual investors, especially in the older provinces. But taking into account all the various and steadily growing home demands for Canadian securities, there is not yet in Canada a sufficient accumulation of individual surplus wealth to absorb such securities as our Government, municipal and high-class corporation borrowings. Mr. Wood's conclusion is, therefore, obvious that for great permanent investments necessary in railway development, in providing power, light, heat and other public and municipal services, and in meeting the needs of the Dominion, provincial and municipal governments, we must apply to London, the world's financial centre.

Our Use of Capital from Abroad.

When we are reminded that Canada has Dominion and provincial government debts of some \$300,000,000 to Great Britain, and a railway bonded indebtedness of about \$500,000,000, there comes strong realization of what it means to have had a ready and favourable access to the world's great credit mart. That the steadily progressing development of the country warrants an investment so stupendous is not open to doubt. Yet the situation is one involving grave responsibilities; and Mr. Wood sums it up none too strongly when he says that it rests with all issuers of securities, with every bond dealer, broker and financier, with every financial corporation, with every municipal council—and in a more important sense with every Provincial Legislature and with the Dominion Parliament—to see that the man who ventures his money in a Canadian enterprise is treated fairly and honestly. Canada must fully sustain the confidence of the British investor through the years to come.

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ESTABLISHED 1881. PUBLISHED EVERY FRIDAY

R. WILSON-SMITH, *Proprietor.*

GUARDIAN BUILDING, MONTREAL.

Annual Subscription, \$2.00. Single Copy, 10 cents.

MONTREAL, FRIDAY, JANUARY 15, 1909.

ADVANCE IN BANK OF ENGLAND RATE AND OTHER PHASES OF THE GENERAL FINANCIAL SITUATION.

The continued desire of the Bank of France to accumulate gold from any market having a surplus of funds is exercising a powerful influence on the international money situation. Rates in London have stiffened materially and the rise in the Bank rate to 3 per cent., yesterday, furnished no surprise.

It is extremely doubtful, however, if this higher rate will be continued for any great length of time. In all the markets the general underlying tendency is towards ease and towards the accumulation of capital; and under those circumstances the English bank would likely get all the gold it wanted in a short time as a result of a rise in its rate. It might even do so by maintaining the present rate.

Call money in the London market is quoted at 2 to 2 1-2 p. c., a considerable rise from last week's level. Short bills and three months' bills are also appreciably higher, both being quoted at 2 3/8 to 2 3/4 p. c. as against the 2 and 2 1/8 p. c. of a week ago.

Little change is seen in Paris. Bank of France, of course, makes no alteration in its 3 p. c. rate; and the market has fallen a shade to 2 5-16 p. c. Berlin market has risen from 2 1/8 to 2 3/8, but the Bank of Germany rate remains at 4.

Canadian call loans are unchanged at 4 p. c.

Interest rates in New York have softened still further as a result of the expected heavy influx of cash from the interior and of stock market liquidation. Call money is quoted at 1 3-4; 60 days at 2 3-4; 90 days at 3; and six months at 3 1-4 to 3 1-2.

It has been noticed that every week lately the Clearing House banks have provided something sensational in the way of changes. Last Saturday's statement proved no exception to this rule. Loans and deposits furnished the sensation in the previous weeks. This time it was the cash. According to the "actual" figures a gain in cash occurred of over \$19,000,000. Loans increased \$14,000,000, and deposits \$32,000,000; the net result being an increase

of \$11,000,000 in the surplus, bringing it to \$26,300,000. Some part of the increase in loans is said to have been caused by re-assumption by the Clearing House Banks of loans transferred to the trust companies. The latter report a \$4,000,000 decrease in loans.

The feature of the week has been the beginning of gold exports to Europe on a large scale. As much as \$3,500,000 went out one day this week, and the strength of the exchange market is taken as foreshadowing a heavy outgo. The gold goes to Paris. At the same time London shows a disposition to put off on New York the burden of supplying the seasonable Argentine demand for gold. Just what is the cause of the strong demand for foreign exchange is a good deal of a mystery. That the Bank of France is at the bottom of it is tacitly conceded, but even the experts do not apparently understand why that great institution wants so much of the metal. Last week the London Economist remarked that if it is the Russian loan, the French bank wants to provide for, two million pounds less gold in the Bank of France and two millions more in the Bank of England would help the operation along more than the present situation promises to. Lack of definite information as to the reasons actuating the Bank of France's action has caused surmise and vague fears that some disturbing political event, perhaps a war, was anticipated. This had its effect in unsettling securities. However, as the New York Evening Post remarks, the puzzle will be solved very shortly. With the bringing out of the Russian loan and the removal of the Balkan trouble by Austria's agreeing to pay Turkey some \$11,000,000 for the annexation of Bosnia and Herzegovina, the true reason of the Paris accumulations should become apparent.

During the week the United States Treasury served notice on the banks acting as depositories that \$25,000,000 of government money must be surrendered in January and early in February. New York City banking institutions will be called on to surrender on their own account some \$8,000,000 of government deposits, and probably considerable more on account of interior banks. That adds another to the factors making for scarcity of money. Briefly the situation may be summed up as follows: On the one side, working towards stringency, are the trust company reserve law requiring sequestration of \$40,000,000 in trust company vaults; the withdrawal of \$25,000,000 cash from national banks by the Washington Treasury; the gold export movement; and lastly the prospective issues of new securities in New York City. On the other side, working towards ease, the most important factor is the flow of currency from the interior to the metropolis; it has been aided by the liquidation that has occurred in Wall Street.

With regard to the relative force with which the above factors will likely act, it is to be observed that in the first set, two are definite and clear cut; the third—gold exports—is indefinite and problematical; while the fourth can probably be regulated to suit the money market's condition. The inflow of cash is likely to be on a very large scale; and if it is accompanied by further liquidation of the speculative position in Wall Street, or even by a period of rest or inactivity there, it should provide a plenitude of funds for all the purposes mentioned. As the New York Evening Post puts it "any one who lies awake nights worrying himself over gold exports under present conditions will be making a poor use of his time."

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**THE CANADIAN BANK OF COMMERCE:
FEATURES OF INTEREST AT ANNUAL
MEETING OF SHAREHOLDERS.**

The actual figures contained in the annual report of the Canadian Bank of Commerce have already been dealt with by THE CHRONICLE—the preliminary statement for the year ending November 30, 1908, having appeared in its issue of 11th ult. The year's net profits of \$1,627,332 (some 16¼ per cent. on the paid-up capital) were almost within \$100,000 of the 1907 results. This record speaks volumes for the skilled conduct of the bank's business. As already pointed out, the important part played by the Canadian Bank of Commerce in security flotations abroad, and its transactions in sterling exchange through its American agencies, have doubtless contributed materially to the year's satisfactory showing.

Added to the balance of \$675,912 brought forward from 1907, the profits made up a total for appropriation amounting to \$2,303,245. After payment of 8 per cent. dividend, (amounting to \$800,000), writing \$300,000 off bank premises, transferring \$30,000 to pension fund, and subscribing \$12,000 to various objects, the directors added \$1,000,000 to rest, bringing that fund up to \$6,000,000. There then remained \$161,245 to be carried forward into the current year.

Reductions in current loans, and increases in deposits and quick assets during the twelvemonth, reflected clearly the changed business conditions following the break in trade expansion that President Byron E. Walker predicted at the bank's annual meeting two years ago. The relative bearing of the year's various changes in the bank's showing may be best studied by considering leading groups of assets on the one hand, and deposits on the other as was done in these columns a month ago. Neglecting lesser items, the items given below account for about eight millions of the year's growth of \$8,655,000 in total assets, and for practically eight millions of the increase of \$8,170,000 in liabilities to the public.

	ASSETS.		
	1907.	1908.	Change
Current Loans.....	\$76,073,000	*\$69,756,000	-\$6,317,000
Bals. Abroad.....	2,930,000	9,942,000	+ 7,012,000
Cash.....	11,053,000	13,087,000	+ 2,034,000
Call Loans.....	12,696,000	17,937,000	+ 5,241,000
* Includes loans to other banks in Canada.			
DEPOSITS.			
Not Bearing Interest..	\$20,951,000	\$22,231,000	+\$1,280,000
Bearing Interest.....	66,090,000	72,807,000	+ 6,717,000

As General Manager Laird remarked at the meeting of shareholders on Tuesday, of this week, the year now closed has shown a disposition to liquidate old obligations, rather than to create new ones. But the drop of over six millions in current loans is not to be taken as solely due to general business recession; and not at all as indicating any drastic pressure by the bank upon its customers. In this connection the general manager had no hesitation in asserting that so far as the Bank of Commerce was concerned, no lines of credit for customers were cancelled and no customer from the Atlantic to the Pacific was refused accommodation for his legitimate requirements. Contributing to the reduction in current loans was the considerable wiping out of corporate and municipal obligations by the flotation of new securities in London. The combined result of slackened trade and of such flotations, together with various other Canadian issues placed abroad, has been to increase the quick assets of the bank, and on the other side of the balance sheet to augment its deposits notably.

Reference was made by the general manager to the strengthening of the bank's position, by way of increasing the rest fund, and to the spreading of its operations through the opening of new branches. In the latter connection he pointed out that the rapid extension of the bank in the newer parts of the country constantly makes demands for accommodation which necessitates the erection of new buildings. In older centres, too, growing business requirements have called for more adequate business quarters. Notably has this been so in Montreal; and before long the manager for this city, Mr. H. B. Walker, will be directing the bank's important local business in a banking-house as conveniently equipped as it is architecturally perfect.

That Canada would suffer far less than other countries during the past year of unrest, was a prediction ventured a twelvemonth ago by the president of the Bank of Commerce. His comprehensive review of the year's development throughout the Dominion bears out the prophecy. So much so, that Mr. Walker expresses almost a fear as "to whether we have suffered enough for our own good"—so convinced is he that caution and conservatism must characterize the country's progress during the next few years, if it is to make for the highest permanent well-being of the nation.

Speaking of Canada's international dealings commercially and financially, he emphasized the

point that, while Canada at present must expect to buy abroad more than it sells, financial safety lies in preserving reasonable proportions between purchases and sales. Otherwise the high state of our credit in London and elsewhere may suffer. He noted with satisfaction, therefore, that during recent months of decreased imports the country was able to send abroad increased exports.

Following the hearty adoption of the report by the shareholders present at Tuesday's meeting, resolutions were passed expressing appreciation of able work accomplished by the management and officers of the bank.

At a meeting of the newly elected Board of Directors held subsequently, Mr. B. E. Walker was elected president, and Mr. Robert Kilgour, vice-president.



CANADA'S SHARE IN THE GREATER-BRITISH FLOTATIONS OF 1908.

With a bank rate barely reduced from 7 to 6 per cent., the prospects a year ago for large inter-Imperial credit transactions must have seemed slim—to the casual observer. But, as always in periods of industrial quiet, money became cheaper and cheaper as months went on—and the last half-year of 1908 saw the unusual happening of an uninterrupted 2½ per cent. Bank of England rate. As a consequence, the British money market supplied home and foreign applicants more largely than in any previous year. The amount of capital raised by public subscription in London and the Provinces during 1908 was some \$960,000,000—being nearly \$350,000,000 more than in 1907. Of course, it is to be considered that many of the 1908 security flotations would normally have appeared in 1906 or 1907—being deferred on account of unusually dear money during these years. In spite of yesterday's advance to 3 per cent. in the Bank rate, continued cheap money is looked for during 1909. But it is scarcely likely that the record of \$960,000,000 will be duplicated this year.

Quarter by quarter for the past five years capital applications have been as follows (\$5 being taken as equivalent to £1):

NEW CAPITAL APPLICATIONS.

	1904	1905	1906	1907	1908
	\$	\$	\$	\$	\$
1st qr.	99,525,000	336,506,000	151,324,000	247,143,000	226,439,500
2nd "	253,270,000	194,577,500	275,299,000	201,523,000	321,928,000
3rd "	47,735,000	114,270,500	54,179,000	78,157,000	157,709,000
4th "	214,565,000	200,583,000	120,064,000	91,327,000	254,942,000
Tot'l	615,095,000	845,937,000	600,866,000	618,150,000	961,018,500

As to the way in which the foregoing enormous total was made up, some \$22,000,000 went to the Imperial Government; about \$100,000,000 to various Colonial Governments (Canada being the chief borrower); nearly \$125,000,000 to foreign

governments; \$215,500,000 to foreign railroads; and \$95,000,000 to Indian and Colonial railways. Altogether, in the neighbourhood of \$600,000,000 represented loans for abroad; of which amount well on to \$250,000,000 remained within the bounds of Greater Britain.

A circumstance remarked upon more than once during the year was the temporary leaving upon the hands of the underwriters considerable proportions of several colonial flotations—passing market conditions militating against immediate public participation. Also there was a tendency last year to allow new issues to find their market level. In general, however, subsequent demand made up for any initial hesitancy—and in some instances there were distinct advances upon the issue price.

That Canada should have received the major share of British capital invested within the Empire during 1908 is taken as a matter of course. Indeed, its government, municipal and corporation bond issues taken up by the British market during 1908 totalled over \$165,000,000. Taking also into account \$24,000,000 of Canadian Pacific stock, and various minor issues, a total approximating \$200,000,000 is easily obtained. Of course, it is to be noted in this connection that about \$40,000,000 of the bond issues represented refundings—no less than \$36,852,500 or 56 per cent., of the \$65,000,000 borrowed by the Dominion Government being so disposed of. But even so, at the very least, \$150,000,000 of new British capital has during the past year been made available for the development and upbuilding of Canada. This omits the \$18,000,000 or so obtained by Canadian corporations operating abroad; as also does the following table showing Canada's bond flotations at home and abroad during 1908. The estimate is that quoted by Mr. Byron E. Walker, president of the Canadian Bank of Commerce.

Canadian Bond Issues.	Canada.	Great Britain.	United States.
Government..	\$3,098,500	74,500,000	.....
Municipal....	17,977,390	25,083,271	4,372,250
Corporation..	3,509,250	65,871,750	1,944,000
	\$24,585,140	\$165,456,021	\$6,316,250

From which it will be seen that Canadian bond issues (including some \$40,000,000 of refundings) totalled \$196,357,411 in 1908; as compared with \$82,635,740 in 1907; \$53,987,531 in 1906; \$134,874,531 in 1905; and \$34,249,247 in 1904. The Dominion's dependence upon Great Britain is evident from the fact that well on to 85 per cent. of the year's total issue was placed in the Motherland.

This emphasizes, too, the necessity for constant care in keeping the country's credit unimpaired—in respect alike of Dominion, provinces, municipalities and corporations.

THE ROYAL BANK OF CANADA.

That the net profits of the Royal Bank for 1908 should prove to be greater rather than below the 1907 showing must have been somewhat in the nature of a gratifying surprise to many interested in the outcome of the year's business. The general manager, Mr. Edson L. Pease, was certainly fortunate in being able to report to the shareholders that total net earnings had been \$746,775, as compared with \$742,034 for the year 1907. The result is at the rate of well over 19 per cent. on the bank's paid-up capital of \$3,900,000—though there is to be noted in this connection that the rest fund is an exceedingly strong one. And its strength has been still further added to as a result of the year's operations—the management having increased it by \$210,000 to a present total of \$4,600,000. Other amounts appropriated from the \$903,685 available for distribution (\$156,909 having been brought forward from 1907) were as follows: \$390,000 for dividend of 10 per cent., \$200,000 written off bank premises, and \$25,000 to officers' pension fund—leaving \$78,685 to be carried forward to profit and loss.

The statement is somewhat noteworthy in that current loans are greater than a year ago—increased autumn requirements, following upon crop-moving activities, having doubtless contributed to this showing. Deposits, however, have grown to a much greater extent than current loans—as was to have been expected under business conditions prevailing. In consequence, cash items and other readily available resources have been augmented very considerably, until liquid assets as a whole total over 52 per cent. of liabilities to the public. Certainly the Royal is in a strong position to meet all, and more than all, banking requirements likely to be made upon it during coming months. Even though profits during 1909 may not come up to those attained last year, shareholders can rest confident as to the management's securing the best results compatible with general monetary and business developments during the current year.

FIRE LOSS SETTLEMENTS.

The chairman of adjustments of the National Board of Fire Underwriters is making vigorous complaint at a certain form of advertising carried on by several companies throughout the United States. The bone of contention is the widely heralded announcement which they make as to settlement of losses within sixty days without discount. He advocates an agreement among the companies "for the general good of the business and for the mutual benefit of all concerned, to discourage the hasty prepayment of losses." The agreement would stipulate that "where prepayment is desirable a company will demand the usual dis-

count at the rate of 6 per cent. per annum for such prepayment,"—the agreement not to apply, however, to so called conflagration losses, nor to losses which amount to less than \$200 to the individual company.

In Canada the point thus at issue is scarcely a live one. The companies, while availing themselves of the full sixty-day proviso when they so desire, especially when it is deemed advisable to offset "moral hazard," prefer in each case to exercise business judgment rather than depend upon any hard-and-fast regulation. Nor is the definite practice of requiring discounts for early payment recognized in Canada as it is across the border. With working conditions as they are in Canada, there is little disposition on the part of any particular companies to "feature" their special practice in the matter, in the way complained of by Chairman Lock in his circular above quoted.

SUPPLEMENTING HIGH PRESSURE SYSTEMS.

The growing attention paid by Canadian cities to the matter of high-pressure water systems comes in for strong commendation from The Post Magazine of London—in its year-end fire insurance review. Toronto this month has satisfactorily tested its newly installed system, and is congratulating itself—to quote The Globe of that city—that "this extension of the waterworks will afford a valuable safeguard against extensive conflagrations, and that water may now be thrown effectively over many buildings which but for the increased pressure would be too high to be reached in case of fire in the upper stories." Not only will the more congested business districts benefit in Toronto's case, but also the residential portions of the city—more particularly those new and attractive sections on the higher level where the reservoir itself is situated. Hitherto these have obviously been inadequately protected.

But however satisfactory on special test a high-pressure system may prove, it must not be ignored that like all else mundane it is not immune from accident and failure. Recent New York experiences have shown this. And so, careful underwriting authorities are urging that every attention should be paid to maintaining auxiliary fire engines and so forth, for use in case of accidents to the main system. In nine cases out of ten—as The Insurance Monitor puts it—a fire that might otherwise acquire dangerous proportions would be promptly snuffed out by the high pressure system. But if in the tenth such a fire be left to burn without interference for a half hour (through some hitch in the working of the new system) the city might actually be in greater danger than under old methods. In other words, the undoubted advantages of the high pressure system must not blind cities installing it to the necessity of making some provision for effectively supplementing it in exceptional circumstances.

THE INTEREST OF THE PUBLIC IN INSURANCE LEGISLATION.

A month ago Governor Hughes received without much enthusiasm the suggestion of the New York Chamber of Commerce relative to changes in the insurance laws of the state. He promised, however, that any specific changes recommended would be given careful consideration. The business men of the state are taking him at his word, and a special committee on insurance has been busily engaged in drafting for the Chamber of Commerce various amendments. In reporting to the Chamber as a whole, the committee last week stated that certain amendments should at once be made to the present law; such being necessary for the protection and conservation of the welfare of the enormous life insurance interests of the state. The report particularly recommended the repeal of Section No. 96 of the Insurance Law, relating to limitation in the amount of new business which may be written; a law applicable only to domestic life insurance corporations.

The committee holds it to be unwise in principle and inimical to the general interests of life insurance to put any limit as to the aggregate amount of new business that can be done by any one company, because new business is essential to the strength and progress of any company, and is vital to its security and development. It is also an injustice to those who wish to insure with companies of their choice to be confronted with a limitation when these companies have reached the limit.

Another recommendation made relates to the matter of detailed regulation of companies' management expenses. Indeed, it is the sound view of the committee that when the state has established sound rules of solvency, and has enacted comprehensive requirements for publicity and accountability, and provided for complete state supervision, it has discharged its full duty and should not go into the details of the management of life insurance, or other corporations. If the Legislature feels, after having taken the above action, it is still its duty to fix a limit on what should be paid for the procurement of new life insurance risks, such limitation, it is urged, should be general, and not specific in its character. All limitations of this kind, it is pointed out, in effect fix wages by statute. There is sound business sense in the further conclusion of the committee that any such limitation should leave to the trustees and the genius of management the widest discretion, within the limits fixed, as to when and how the compensation of agents should be paid. Consequently section No. 97 (limitation of expense) should, in its opinion, be amended accordingly.

Other restrictions which the Chamber of Com-

merce committee would see removed are those relating to arbitrary contingency reserves, undue limitation of investment, and rigidly fixed standard policies. To Canadians, the interest in the whole matter is heightened by the similarity in many points between the protests now made to the Governor of New York and the representations made some time since by the Canadian Life Officers' Association to the Banking and Insurance Committee of the Commons. Their argument was that the imposition upon Canadian life insurance of various restrictions (modelled upon the Armstrong law of New York State) would be detrimental to general public interest. And the strong protests of New York's business men in this very connection strikingly confirm the contention of THE CHRONICLE months ago, that the Life Officers were actuated by no narrowly interested motives in the recommendations they made. Happily, as time goes on, there is less and less probability of the Dominion Parliament enacting insurance legislation cut according to the now discredited Hughes-Armstrong-Dawson pattern.

Our London Letter.

THE NEW YEAR ON THE STOCK EXCHANGE.

Unsettled Labour Conditions in England—Old Age Pension Inconsistencies—Interest in Canadian Railroads—Special Correspondence of THE CHRONICLE.

The Stock Exchange is beginning 1909 with that cheerful feeling of optimism about the future of business, which is a characteristic of markets at the turn of the year. The view is very widely held that under the stimulating influence of a further long period of cheap money business will soon begin to broaden out. Perhaps so, and in any event there will soon be a good deal of dividend money to re-invest, but the sky is not yet quite free from the clouds of foreign politics and there are other considerations, which make one a little doubtful whether present optimism will be justified by events. Whatever next April's Budget may contain, the certainty of increased taxation is the very reverse of a bull point for markets, while it is by no means certain that the public has extensive "stockings" at present uninvested. The more expensive standard of living which has become a feature of English life in every social grade during recent years is a guarantee of that. A considerable proportion of temporarily homeless funds will also no doubt be absorbed by new issues, which if present indications may be trusted will be on a very large scale indeed this year. An estimate of £140,000,000 for State loans alone has already been made for 1909. So that the wisest course would seem to be to hope for the best rather than to anticipate it.

Established 1817

BANK OF MONTREAL

Incorporated by Act of Parliament

Capital (all paid up), \$14,400,000.00.

Rest, \$12,000,000.00.

Undivided Profits, \$217,628.56.

HEAD OFFICE - - MONTREAL

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 C. SWERNEY, *Superintendent of Branches British Columbia.* F. J. HUNTER, *Inspector of Northwest and British Columbia Branches.* D. R. CLARKE, *Inspector Maritime Provinces and Newfoundland Branches.*
 E. P. WINSLOW *Inspector Ontario Branches.*

THERE ARE 133 BRANCHES IN CANADA

ONTARIO Alliston Almonte Aurora Belleville Bowmanville Brantford Brockville Chatham Collingwood Cornwall Deseronto Eglington Fenelon Falls Fort William Goderich Grimmaby Hamilton Holstein King City	ONTARIO—Cont. Kingston Lindsay London Millbrook Mount Forest Newmarket Ottawa (3 Branches) Paris Perth Peterboro Picton Port Arthur Port Hope Sarnia Stirling Stratford St. Marys Sudbury	ONTARIO—Cont. Toronto (6 Branches) Trenton Tweed Wallaceburg Waraw Waterford	QUEBEC Buckingham Cookshire Danville Franserville Grandmere Lake Megantic Levis Montreal (30 Branches) Quebec (3 Branches) Sawyerille St. Hyacinthe	NEW BRUNSWICK Andover Bathurst Chatham Edmundston Fredericton Grand Falls Hartland Marysville Moncton Shediac St. John Woodstock	NOVA SCOTIA—Con Port Hood Sydney Wolfville Yarmouth PRINCE EDW. ISL. Charlottetown NORTHWEST PROVS. Altona, Man. Brandon, Man. Calgary, Alta. Cardston, Alta. Edmonton, Alta. Gretna, Man. Indian Head, Sask. Lethbridge, Alta. Magrath, Alta. Medicine Hat, Alta. Oakville, Man. Portage la Prairie, Man. Raymond, Alta.	NW. PROVS.—Cont Regina, Sask. Rosenfeld, Man. Saskatoon, Sask. Winnipeg, Man. (3 brs) BRITISH COLUMBIA Armstrong Chilliwack Enderby Greenwood Kelowna Nelson New Denver N. Westminster Nicola Rossland Summerland Vancouver (2 Branches) Vernon Victoria
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IN NEWFOUNDLAND

St. John's—Bank of Montreal
 Birch Cove (Bay of Islands)—Bank of Montreal
IN GREAT BRITAIN
 London—Bank of Montreal, 47 Threadneedle Street, R.C.—F. W. TAYLOR, Manager.

BANKERS IN GREAT BRITAIN: LONDON, The Bank of England; The Union of London and Smith's Bank, Ltd.; The London and Westminster Bank Ltd.; The National Provincial Bank of England, Ltd. LIVERPOOL, The Bank of Liverpool, Ltd. SCOTLAND, The British Linen Bank and Branches.

BANKERS IN THE UNITED STATES: NEW YORK, The National City Bank; The Bank of New York, N.B.A.; National Bank of Commerce in New York; National Park Bank. BOSTON, The Merchants National Bank. BUFFALO, The Marine National Bank, Buffalo. SAN FRANCISCO, The First National Bank; The Anglo Californian Bank, Ltd.

IN THE UNITED STATES

New York—{ R. Y. Hebde }
 { W. A. Bog } Agents 31 Pine St.
 { J. T. Molleux }
 Chicago—Bank of Montreal J. M. GREATA, Mgr.
 Spokane (Wash.)—Bank of Montreal

IN MEXICO

Mexico, D.F.—T. S. SAUNDERS, Manager

The Bank of British North America.

Established in 1856.

Capital Paid Up - \$4,866,666

Incorporated by Royal Charter in 1840.

Reserve Fund - \$2,336,000

COURT OF DIRECTORS

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 JOHN JAMES CATER, Esq.
 J. H. M. CAMPBELL, Esq.

RICHARD H. GLYN, Esq.
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 H. J. B. KENDALL, Esq.

FRED LUBBOCK, Esq.
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 GEO. D. WHATMAN, Esq.

HEAD OFFICE

A. G. WALLIE, Secretary.

5 GRACECHURCH STREET., LONDON, E.C.

W. S. GOLDBY, Manager.

Head Office in Canada:

H. STIREMAN, General Manager.

St. James Street, Montreal.

JAMES ANDERSON, Inspector.
 H. B. MACKENZIE, Superintendent of Central Branches, Winnipeg
 A. G. FRY, Assistant Inspector, O. R. ROWLEY, Inspector of Branch Returns.
 W. G. H. BELT, Assistant Inspector.

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AGENCIES IN THE UNITED STATES.

SAN FRANCISCO, 120 Sansome Street, H. M. J. MCMICHAEL & W. T. OLIVER, Agents.
 LONDON BANKERS: The Bank of England, Messrs. Glyn & Co. CHICAGO, Merchants Loan and Trust Co
 FOREIGN AGENTS: Liverpool—Bank of Liverpool. Scotland—National Bank of Scotland, Limited and Branches. Ireland—Provincial Bank of Ireland, Limited, and Branches; National Bank, Limited, and Branches. Australia—Union Bank of Australia, Limited, New Zealand—Union Bank of Australia, Limited. India, China and Japan—Mercantile Bank of India Limited. West Indies—Colonial Bank. Paris—Credit Lyonnais. Lyons—Credit Lyonnais. Agents in Canada for the Colonial Bank, London and West Indies.
 Issues Circular Notes for Travelers available in all parts of the World. Drafts on South Africa and West Indies may be obtained at the Bank's Branches.

Labour Disputes of the Past Year.

Among the mass of more or less indigestible matter which the newspapers have been inflicting upon us this week under the heading of "reviews of the year" there is one fact which seems worthy of a little more attention than has been bestowed upon it. The year 1908 was a year of industrial conflict involving more industries and a larger number of men in trade disputes than has previously been the case for more than a decade. The conditions, as has been pointed out by the labour correspondent of one of the dailies, were eminently favourable for the year to achieve such an unenviable distinction. With the lessened production consequent upon the fall in values came the corollary of a reduction in wages and it is the resistance of men to the enforcement of these wage reductions which has been the cause of the lengthy and bitterly contested strikes it has been our lot to suffer this year. These "wicked strikes," to use the notable phrase of Sir Christopher Furness, have another feature, which is not mentioned now but was much commented on some months back: they were largely forced by the younger members of Trades Unions in defiance of the wishes and advice of their leaders. This was particularly the case in the engineering strike on the North East Coast, which lasting over a period of seven months, brought the industry to a condition of absolute anarchy, and entailed immense losses to capital and an intolerable amount of unnecessary suffering upon innocent people. In the Lancashire cotton strike we had the phenomenon of Trades Unions divided against each other with the result that a dispute which might have been settled without the loss of a single penny could only be brought to an end after the mills had been closed seven weeks. These facts are disquieting. Masters' Federations can discuss things without difficulty with responsible Trades' Union officials, but if we are to have constantly these officials thrown over by irresponsible members of their own bodies, and Trades' Unions divided against each other, we shall soon degenerate into a condition of industrial anarchy. Perhaps the co-partnership scheme of Sir Christopher Furness, which has been inaugurated with a good deal of enthusiasm, will do something to prevent things going as far as this, but last year's experience does not make one inclined to optimism about the advent of the millennium of industrial peace.

The Inauguration of Old Age Pensions.

With the New Year half a million of our aged poor received the first State pensions, arrangements having been made for the payment of about £100,000 in silver at the various post offices throughout the United Kingdom. It has long since come to be recognized, as THE CHRONICLE mentioned a week or two since, that last year's Old Age Pensions' Act must be regarded merely as a first instalment of legislation on the subject, the many cases of hardship under the present regulations which have come to light, making amendment of the ill-constructed measure an urgent necessity. In many instances, aged people in extreme penury, who have only had temporary help of the most trumpery character from the Poor Law Guardians, have been refused pensions while others in comparatively affluent circumstances (in one case a man with investments of more than £1,000) have been awarded them. Under these circumstances it is

satisfactory to know that the government is pledged to revision of the Act at the first opportunity. But this necessary revision will also entail very considerable revision of the original estimates of the annual cost of the scheme. Originally, the cost was put at £6,000,000 but amendments while the Act was passing through Parliament added another 1½ millions forthwith. With the persistent demands which are now being made for a reduction of the age limit to 65 or 60 it appears certain that old age pensions will in the future be a very considerable drain upon our National purse. And, up to the present, no special financial provision has been made for them.

Attention Paid to Canadian Railway and Bank Statements.

A good deal of attention is being devoted to the last monthly statements of the Canadian Pacific and Grand Trunk lines in view of the approach of the dividend season. Already, in fact, anticipations are being indulged in as to what the Grand Trunk directors will do by way of dividends on the preference issues, but warned by previous experience of the wonders worked by the Board, the critics are a little chary of saying anything definite. One, indeed, goes so far as to say that "it is highly probable that the company's final results will prove an agreeable surprise," but up to the present this is the only opinion I have seen in a good deal which has been written on the subject which is not absolutely non-committal. The drastic economics effected by the Grand Trunk have compelled admiration and in this connection attention has been drawn to the fact that while during the past month the Grand Trunk saved 2 p.c. on the combined system the Canadian Pacific's ratio of expenses increased by 4¼ p.c. The supposition made in this case is that necessity being the mother of invention the Grand Trunk has been compelled to effect economics which have not been compulsory upon its more fortunate neighbour.

The Canadian banks have lately been the recipients of many warm congratulations from the press of the old country on the triumphant manner in which they have emerged from a year of crisis. The occasion of these congratulations is the receipt here of the reports which have recently been issued, and the publicity which has been given these documents ought to go a considerable way towards making the standing of the Canadian banks more widely known than it is at present on this side.

The Canadian Pacific's plans as to the possible electrifying of 700 miles of line have been made the subject of some criticism in engineering circles on this side. The argument, as summarized in the technical columns of a northern journal is that a transcontinental railway is a most unsuitable subject for electrification owing to the great distances between stations and the relatively small number of trains. From our English standpoint the scheme is certainly a big and a daring one. Although a comparatively short main line from Manchester to the seaside has been worked by electrical power successfully, both from a technical and financial point of view for two or three years past the major part of our present experience with electricity as a railway motive power has been confined to tubes and to lines with a very dense suburban traffic, *e. g.*, the Metropolitan and the Metropolitan district. In these cases the financial



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8 Richmond St. East, - TORONTO.

ALFRED WRIGHT, Manager.



Head Office . TORONTO

Applications for Agencies Invited.
ALFRED WRIGHT, ALEX. MacLEAN,
President Manager and Secretary

THE ACADIA FIRE INSURANCE COMPANY

ESTABLISHED A.D. 1862.

OF HALIFAX, N.S.

CAPITAL SUBSCRIBED,	-	-	\$400,000.00
CAPITAL PAID-UP,	-	-	\$300,000.00
Total Cash Assets (as at Dec. 31st last),	\$507,671.24		
Uncalled Capital	-	-	100,000.00
	\$607,671.24		
Liabilities, incl. Reinsurance Reserve	64,400.54		
	\$543,270.70		

For Agency Contracts, Ontario and Quebec apply to:
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W. J. NESBITT, Supt. of Agencies
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THOS. BRUCE, Resident Manager, Eulman Block, Winnipeg
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The only Company which has
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results have not been of a character commensurate either with the immense amount of capital spent upon them or with the very excellent service which they give the public. These poor financial results from electrification have acted as a very considerable deterrent upon any spirit of enterprise in the way of electrification which might otherwise have been shown by the big English lines. How far this lack of financial success is due to the chronic state of London locomotion, which would not be tolerated for a week in a fourth rate town on your side of the Atlantic, it is impossible to say, but it is at any rate noteworthy that up to the present we have had no serious proposals on this side for the electrification of main lines. Canada's wealth of water power has often been the theme of enthusiastic pens; such a scheme as that now announced enables one to appreciate the signal advantages in this respect which she enjoys in comparison with the Old Country. METRO.

THE BANK OF NOVA SCOTIA.

Seventy-Seventh Annual Report in Keeping with the Past Record of this Leading Banking Institution.

The Bank of Nova Scotia is now well into the fourth quarter-century of its career of steady and solid growth. With a rest fund of \$5,400,000 supporting a paid-up capital of \$3,000,000, its position is a notably strong one, well justifying its yearly dividends of 12 per cent. to shareholders.

During 1908 the profits were \$559,577; this sum with the balance brought forward from 1907, giving the directors \$630,741 for allocation. Of this amount, \$360,000 was paid in dividends, \$100,000 written off bank premises, \$15,000 added to officers' pension fund, and \$100,000 appropriated as provision for anticipated loss in connection with the liquidation of the Ontario and Sovereign Banks—the Bank of Nova Scotia having assumed with other institutions the guaranteeing of the public against loss in these instances.

Loans "secured by grain and other staple commodities" have decreased but little during the year; current loans as a whole show a slight increase, when time loans secured by bonds, debentures, etc., are included. Total deposits have grown from about \$27,500,000 to over \$32,000,000 during the year. Circulation of nearly \$2,000,000 at the year-end was somewhat greater than at the close of 1907—crop-moving activity playing its part in this respect.

As last year, the bank's balance sheet bears the certificate of two chartered accountants of Edinburgh; and, as last year, it may be remarked in passing that their signatures will be considered by many as superfluous when appended to a statement signed by so competent and conservative a general manager as Mr. H. C. McLeod has proved himself to be.

Since removing its executive offices to Toronto, the Bank of Nova Scotia has more and more made itself felt as a factor of great importance in the agricultural, commercial and financial progress of the Dominion. And its activities are more than domestic in extent; well organized branch systems in Newfoundland and the West Indies enable this bank to play no unimportant part in inter-Imperial business development.

Prominent Topics.

Lake Superior Corporation.

There is practically no change in the situation since last week. A directors' meeting was held at Philadelphia on Wednesday, when ordinary routine business was transacted. Mr. Robert Fleming and his associates have not yet formulated their plans. The reports from the management continue satisfactory. The million dollar loan of the Canadian Improvement Company guaranteed by the Ontario Government has been paid. The Hon Mr. Matheson accompanied by Mr. Hearst went to New York to complete the necessary details in connection with the matter, and having accomplished it returned to Toronto on Wednesday evening. All of the loans and notes of the Canadian Improvement Company are now paid.

Circular to Mexican Power Shareholders.

Three directors of the Bank of Montreal—Sir Geo. Drummond, Mr. James Ross and Senator Robert Mackay—have signed a circular that is being sent to all shareholders of the Mexican Power Company, urging the defeat of the Mexican Tramways' lease proposition. Especial importance attaches to this action, in that the two former gentlemen are ex-presidents of the Power Company.

The circular points out that the gross earnings of the company have increased from \$1,027,000 (gold) in 1906 to \$2,938,000 in 1908, and estimates that by 1913 they will have increased to over \$5,000,000 annually. From this showing the conclusion is expressed that all necessary extensions by the company can be financed and carried out independently, and that "while desiring intimate and friendly relations with the Tramways' Company, it need fear nothing from an unfriendly attitude on their part." The action of the directors in opposing the terms of the proposed lease is strongly supported by the circular, and shareholders are urged therein to send proxies for the annual meeting (February 17th) in favour of the nominees of the present board, or else to those signing the circular on behalf of a special committee of shareholders.

Crown Reserve's Annual Report.

At the annual meeting of the Crown Reserve Mining Company, held in Montreal on Wednesday of this week, the president, Lieut.-Col. Carson, made the announcement that in future the mine would pay dividends at the rate of 6 per cent. per quarter, or 24 per cent. per annum, with such additional bonuses as might seem justified. The results of the year's operations were detailed by Mr. Cohn, manager of the mine, who said that the output during 1908 had been 650 tons, which produced 1,798,954 ounces of silver, with a total value of \$910,350.

Against this were charges totalling \$241,600, leaving net profit for the year of \$668,750, to which was added \$32,130 derived from the sale of stock to provide working capital. Dividends were paid to the amount of \$353,765, leaving a surplus of \$347,115. The total marketing expenses,

SEVENTY-SEVENTH ANNUAL REPORT

BANK OF NOVA SCOTIA (Incorporated 1832.)

CAPITAL **\$3,000,000.** | **RESERVE FUND** **\$5,400,000.**
Head Office **Halifax.** | **General Manager's Office** **Toronto.**

Profit and Loss.

1907. Dec. 31.	By Balance.....	\$ 71,164.20	
1908. Dec. 31.	" Net profits for current year; losses by bad debts estimated and provided for	559,577.58	
			\$630,741.78
1908. Mar. 31.	To. Dividend No. 153, at 12% per annum, payable 1st April, 1908.....	90,000.00	
June 30.	" Dividend No. 154, at 12% per annum, payable 2nd July, 1908.....	90,000.00	
Sept. 30.	" Dividend No. 155, at 12% per annum, payable 1st Oct., 1908.....	90,000.00	
Dec. 31.	" Dividend No. 156, at 12% per annum, payable 2nd Jan., 1909.....	90,000.00	
	" Contribution to Officers' Pension Fund.....	15,000.00	
	" Written off Bank Premises Account.....	100,000.00	
	" Provision for anticipated loss through guarantee of \$200,000 in connection with liquidation of the Ontario Bank.....	50,000.00	
	" Provision for anticipated loss through liquidation of Sovereign Bank of Canada.....	50,000.00	
	" Balance carried forward.....	55,741.78	
			\$630,741.78

General Statement as at December 31st, 1908.

LIABILITIES.

Deposits not bearing Interest.....	\$ 6,418,908.81	
Deposits bearing Interest.....	24,667,959.23	
Interest accrued on Deposits.....	131,230.93	
		31,218,098.97
Deposits by other Banks in Canada.....	242,339.96	
Deposits by other Banks in United Kingdom.....	21,864.57	
Deposits by other Banks in Foreign Countries.....	691,155.88	
		955,360.41
Notes in Circulation.....	2,888,974.89	
Drafts drawn between Branches outstanding.....	923,476.20	
		3,812,451.15
		35,985,910.53
Capital paid up.....	3,000,000.00	
Reserve Fund.....	5,400,000.00	
Reserve for loss in liquidating insolvent Banks.....	100,000.00	
Profit and loss, balance carried to 1909.....	55,741.78	
Rebate of Interest at 6% on Time Loans.....	114,560.72	
Dividend Warrants outstanding.....	455.00	
Dividend No. 156, payable 2nd Jan., 1909.....	90,000.00	
		8,760,737.50
		\$44,746,648.03

ASSETS

Specie.....	\$ 2,399,623.44	
Dominion Notes—Legal Tenders.....	2,598,022.25	
Notes of and Cheques on other Banks.....	1,865,707.69	
Due from other Banks in Canada.....	574.94	
Due from other Banks in Foreign Countries.....	1,953,006.11	
Sterling Exchange.....	1,218,349.73	
		10,035,284.16
Investments (Provincial, Municipal and other Bonds).....	6,699,958.95	
Call Loans, secured by Bonds, Debentures and Stocks.....	6,391,511.01	
Call Loans, secured by Grain and other Staple Commodities.....	3,675,727.67	
		26,802,481.79
Deposits with Dominion Government for security of Note Circulation.....	151,236.81	
Loans to Provinces and Municipalities.....	338,341.13	
Current Loans, secured by Bonds, Debentures and Stocks.....	1,099,509.41	
Current Loans, secured by Grain and other Staple Commodities.....	1,183,786.25	
Overdrafts, secured.....	159,295.63	
Overdrafts authorized, but not specially secured.....	88,738.37	
Notes and Bills discounted and current.....	14,436,121.15	
Notes and Bills overdue.....	714.35	
Advances to the Sovereign Bank of Canada in connection with its liquidation.....	613,860.18	
Bank Premises.....	850,409.48	
Stationery Department.....	22,159.48	
		17,944,166.21
		\$44,746,648.03

Note.—A contingent liability of \$200,000, in conjunction with several other banks in connection with the liquidation of the Ontario Bank, is not fully expressed in the above statement.

The latest return from Mandeville, Jamaica, is dated December 23rd, 1908, and the figures thereof are incorporated herein.

H. C. McLEOD, General Manager.

AUDITORS' REPORT.

We hereby certify that we have personally checked the cash on hand at Halifax, St. John, Montreal and Toronto. We have also verified the securities held as investments, personally examining those held by the Canadian branches of the Bank, and procuring certificates by responsible business men not in the employ of the Bank, certifying to the existence of the remainder of these securities.

We have further to report that having examined the foregoing Balance Sheet, and having compared the same with the books of the Head Office, and the certified returns from the branches, we are of the opinion that it is a full and fair Balance Sheet, exhibiting a true and correct view of the Bank's affairs as at 31st December, 1908.

J. MAXTONE GRAHAM, C.A., Edinburgh.
D. H. HUIE, C.A., Edinburgh.

including production and smelter charges, amount-
ed to but 4.706c. per ounce.

The meeting unanimously ratified three new by-
laws to make Montreal the place of all annual and
special meetings; to abolish the power given to the
directors to increase the capital stock to five mil-
lions, and to abolish the power of the directors to
deal in other mining assets without the ratification
of the shareholders.

The financial statement of the company shows
assets totalling \$2,697,805.

Liabilities are: Stock, \$1,990,957; accounts
due, \$350,733. Balance, \$347,115.

New York City's Finances. The finances of the City of New
York are interesting in every
municipality on this continent.
Mayor McClellan's valedictory
shows that during his five years' term of office the
civic debt has increased by \$298,945,094. The
gross funded debt of New York on December 31,
1908, was \$808,433,984 a responsibility borne by
4,000,000 of people or about 800,000 families.
The debt is \$73,000,000 more than on December
31, 1907, when the total assessed valuation taxable,
personal and real, of the city was \$6,795,370,473
of which \$6,240,400,602 was on real estate.

**The City and the
Water Rates.**

THE CHRONICLE has always con-
tended that the reduction of the
water rates was not a wise
move, although we are quite
aware that the general public will not agree
with us in this view. We have no desire to
advocate putting any unnecessary taxation on
the poorer classes of citizens, but it must
be remembered that the water rate is prac-
tically the only contribution paid by a large
majority of our people towards the cost of civic
administration. If therefore the water rates be
abolished, some other taxes must be imposed to re-
place them. As to the taxation of real estate to
any extent that may be required, we hope that this
is not seriously contemplated. To our mind the
taxation of real estate must be limited by legislative
enactment. It would never do to leave it open to
the aldermen (not necessarily the present aldermen)
to put any tax they please on real estate. At the
present time the real estate tax is one per cent., and
forty mills for the schools; in other words 1.40 per
cent. In order to have our roads, sidewalks, etc.,
kept in up-to-date and proper manner, we do not
think that the real estate owners would object to a
small extra tax, which, however, should not exceed
¼ per cent. But there is little use in adding this
1-4 per cent., if other taxes are to be abolished. A
large proportion of the arrears in revenue from
water rates, might be prevented if the system were
to collect the water rates half-yearly in advance.

Dominion Bank.

Net profits shown for the year
by the Dominion Bank were
\$641,318.11—being 16.25 p.c. on
the average paid-up capital. After paying divi-
dends at the rate of 12 p.c.—\$473,462—writing
\$100,000 off bank premises account and transfer-
ring to reserve fund \$148,274.75 (premium on new
capital stock) a balance of \$302,996.08 has been
carried forward to profit and loss account.

The reserve fund is now \$4,981,731.62—
or \$1,000,000 more than the paid-up capital. Total
deposits by the public are nearly \$38,000,000, and

have increased \$3,700,000 during the past twelve
months. The deposits have now reached the high-
est point in the history of the institution. Cash
assets amount to over \$10,000,000 and the imme-
diately available assets to \$17,866,000—or 43 p.c.
of total liabilities to the public.

**Canada's
Finances**

The Dominion revenue for the nine
months to December 31, 1908, was \$62,-
298,583, as against \$73,755,958 for the
corresponding period of 1907—the fall-
ing off being chiefly in customs, due to general eco-
nomy in importing from abroad. The statement of
the net public debt at the close of 1908 shows \$291,-
573,767, as against \$253,743,452 a year ago. Ex-
penditure on capital account has necessarily been
heavy during the year. It is to be noted, however,
that, aside from such expenditure, the cost of con-
ducting the government during the nine months has
been about \$12,000,000 less than the revenue re-
ceived during the period—though total expenditures,
including capital account, reached \$76,748,964.

MONTREAL TRUST AND DEPOSIT COMPANY.

The annual meeting of the Montreal Trust &
Deposit Company was held yesterday in the com-
pany's offices, Place d'Armes Square. Net profits
for the eleven months ending November 30, 1908
—after providing for expenses of management,
accrued interest, etc.—were \$58,563. These
amounted to 11.71 per cent in the capital. Added
to a balance of \$50,367 brought forward, the year's
profits gave a total of \$108,930 to be appropriated.
From this sum, after payment of dividends and
writing \$5,000 off vaults, there were carried for-
ward undivided profits to the amount of \$75,972.

Since the first of January, 1908, trust assets have
been placed with the company approximating
\$475,957.47. During the same period the com-
pany has been appointed trustee under mortgages
and hypothecs to secure bonds aggregating \$6,-
465,400.

An increase of the company's capital stock to
\$1,000,000, by the issue of 5,000 new shares was
sanctioned by the shareholders. A proposal to
change the name from the Montreal Trust & De-
posit Company to the Montreal Trust Company
was brought before the meeting and agreed to. An
application to that effect has been made to Parlia-
ment.

The following board of directors was elected:
Robert Archer, director Montreal City and District
Savings Bank; Geo. E. Drummond, director Mol-
sons Bank; W. M. Aitken, vice-president of the
company; Hon. R. Dandurand, director Montreal
City and District Savings Bank; S. H. Ewing, di-
rector Molsons Bank; F. Orr Lewis, director Mer-
chants Bank; Wm. Molson Macpherson, president
Molsons Bank; Frank W. Morse, vice-president
Grand Trunk Pacific Railway; F. W. Ross, direc-
tor Quebec Bank; W. B. Ross, vice-president Hal-
ifax Electric Tramway Company; R. Wilson-Smith,
trustee Guardian Assurance Company.

Mr. Robert Archer was elected president, and
Messrs. George E. Drummond and W. M. Aitken,
vice-presidents.

The company has made rapid progress during
the past three years, for which much credit is due
to Vice-President W. M. Aitken.

Thirty-Ninth Annual Statement of THE ROYAL BANK OF CANADA.

LIABILITIES.

	Dec. 31, 1907.	Dec. 31, 1908.
To the Public:		
Deposits bearing interest.....	\$20,216,479 53	\$24,300,726 66
Deposits not bearing interest.....	12,989,309 56	13,090,564 60
Interest accrued on Deposits.....	59,709 11	52,150 33
Total Deposits.....	\$33,265,498 20	\$37,443,441 59
Notes of the Bank in Circulation.....	3,653,910 65	3,556,432 65
Balances due to other Banks in Canada.....	156,598 45	133,102 61
Balances due to Agents in Great Britain.....	193,897 06	.....
Balances due to Agents in Foreign Countries.....	436,961 62	560,818 84
	\$37,706,775 98	\$41,693,795 69
To the Shareholders:		
Capital Paid up.....	\$3,900,000 00	3,900,000 00
Reserve Fund.....	4,390,000 00	4,600,000 00
Dividend No. 81 (quarterly at 10 per cent.).....	97,500 00	.....
Dividend No. 85 (quarterly at 10 per cent.).....	.....	97,500 00
Former Dividends unclaimed.....	312 61	230 00
Rebate on Bills Discounted, not yet due.....	100,000 00	100,000 00
Balance of Profits carried forward.....	156,909 76	78,685 26
	\$46,351,498 35	\$50,470,210 95

ASSETS.

Gold and Silver Coin.....	\$ 2,514,350 84	\$3,221,717 14
Dominion Government Notes.....	2,990,185 75	3,760,344 35
Deposit with Government for Security of Note Circulation.....	180,000 00	190,000 00
Notes of and Cheques on other Banks.....	2,285,589 00	2,985,741 48
Balances due from other banks in Canada.....	64,304 52	36,289 51
Balances due from Agents in Great Britain.....	.....	372,958 60
Balances due from Agencies in Foreign Countries.....	772,075 15	896,657 36
Government and Municipal Securities.....	3,482,695 45	2,693,101 20
Railway and other Bonds, Debentures and Stocks.....	3,365,048 88	4,501,489 26
Call and Short Loans on Stocks and Bonds.....	3,916,543 97	3,286,141 29
	\$19,570,793 56	\$21,944,440 19
Loans to other banks in Canada.....	.....	496,248 15
Loans to Provincial Governments.....	18,373 75	107,656 95
Current Loans and Discounts.....	25,862,931 29	26,736,164 99
Overdue Debts (Loss Provided for).....	17,713 13	34,776 28
Bank Premises.....	881,686 62	1,150,924 39
	\$46,351,498 35	\$50,470,210 95

PROFIT AND LOSS ACCOUNT.

By net Profits for the Year, after deducting Charges of Management, Accrued Interest on Deposits, full provision for all bad and doubtful debts, and rebate of interest on unmatured bills.....	746,775 50	
By balance of Profit and Loss Account, December 31, 1907.....	156,909 76	\$903,685 26
Appropriated as follows:		
To dividend (10 per cent.).....	390,000 00	
To transferred to Officers' Pension Fund.....	25,000 00	
To written off Bank Premises' Account.....	200,000 00	
To transferred to Reserve Fund.....	210,000 00	
To balance of Profit and Loss carried forward.....	78,685 26	\$903,685 26

EDSON L. PEASE,
General Manager.

Stock Exchange Notes

Montreal, Thursday, January 14th, 1909.

The market continues to broaden and the trading throughout the list was active. Montreal Power was the leader in the volume of transactions, followed by Mexican Power, Twin City and Toronto Railway, in all of which the transactions involved over 2,000 shares each, while over 1,100 shares of Soo Common changed hands. Mexican Power advanced 3 3-8 points, and Twin City shows the next largest gain, closing 2 1-2 points higher than a week ago. Crown Reserve was again prominent and on active trading advanced 15 1-2c to 281 1-2c. The annual meeting took place yesterday and a very satisfactory statement was presented to the shareholders. A surplus of \$317,000 being carried forward after providing for the 16 per cent. dividend due to-morrow. Soo Common was a feature and advanced to 148, reacting to 144 1-2 at the close, a net gain of 1-2 point for the week. The Dominion Iron stocks were stronger, but were not actively dealt in, and the Bonds gained 1 1-2 points on sales of \$23,000. The market closed firm.

Call money in Montreal is now loaning at 4 per cent., although some bank loans still continue at 4 1-2 per cent. In New York the ruling rate was 1 3-4 per cent., and the quotation in London was 2 to 2 1-2. The Bank of England rate has been advanced to 3 per cent. to-day.

Call money in Montreal	4%
Call money in New York	1 3/4%
Call money in London	2 to 2 1/2%
Bank of England rate	3%
Consols	85 1/2
Demand Sterling	9 1/2
Sixty days' sight Sterling	9

The quotations at continental points were as follows:—

	Market.	Bank.
Paris	2 5-16	3
Berlin	2 1/2	4
Amsterdam	2 1/2	4
Brussels	3 1/2	4
Vienna	2 3-16	3

SUMMARY OF WEEK'S SALES AND QUOTATIONS.

Security.	Sales.	Closing bid.		Not change
		Jan. 7th.	to-day.	
Canadian Pacific	865	176 1/2	175 1/2	— 1 1/2
"Soo" Common	1175	144	144 1/2	+ 1/2
Montreal Street	730	209 1/2	207 1/2 XD	+ 1/2
Toronto Railway	2,012	109 1/2	110	+ 1/2
Twin City	2,315	97 1/2	100	+ 2 1/2
Detroit United	774	55 1/2	57 1/2	+ 1 1/2
Toledo Railways	20	12	11	— 1
Illinois Preferred	465	93	93 1/2	+ 1/2
Halifax Tram	75	106	106	—
Richelieu & Ontario	847	78 1/2	79	+ 1/2
Mackay Common	520	73	74	+ 1
Mackay Preferred	110	69 1/2	69 1/2	+ 1/2
Montreal Power	3,447	116 1/2	116	—
Dom. Iron Common	350	19	19 1/2	+ 1/2
Dom. Iron Preferred	310	69 1/2	71	+ 1 1/2
Dom. Iron Bonds	\$23,000	77 1/2 XC	79	+ 1 1/2
Nova Scotia Steel Com.	340	58	58 1/2	+ 1/2
Dom. Coal Com	155	55	57 1/2	+ 2 1/2
Lake of the Woods Com.	762	97 1/2 XD	99 1/2	+ 2
Dom. Textile Preferred	27	102 1/2 XD	102 1/2	—
Shawinigan	4	84	—	—
Mexican Power	2805	75 1/2	78 1/2	+ 3 1/2
Rio Power	240	81	81	—

MONTREAL BANK CLEARINGS for week ending January 14th, 1909, were \$34,725,563. For the corresponding weeks of 1908 and 1907 they were \$27,830,352 and \$30,127,031 respectively.

TORONTO BANK CLEARINGS for the week ending January 14th, 1909, were \$27,919,298. For the corresponding weeks of 1908 and 1907 they were \$20,926,493 and \$25,788,159 respectively.

OTTAWA BANK CLEARINGS for the week ending January 7, 1909, were \$2,943,410 and for corresponding week in 1908 they were \$3,187,755.

MR. W. A. LOCKHART, St. John, N.B., of the firm of Lockhart & Ritchie, spent a few days in Montreal, this week, visiting the head office for Canada of the Employers' Liability Assurance Corporation, Limited, for which institution his firm transacts a large business.

Traffic Earnings.

The gross traffic earnings of the Grand Trunk Canadian Pacific, Canadian Northern, Duluth South Shore & Atlantic railways, and the Montreal, Toronto, Halifax, Twin City, Detroit United and Havana street railways, up to the most recent date obtainable, compared with the corresponding period for 1907 and 1908 were as follows:

GRAND TRUNK RAILWAY.			
Year to date,	1906.	1907.	1908.
Dec. 31.....	\$41,576,540	\$44,900,468	\$38,777,013
Week ending.	1907.	1908.	1909.
Jan. 7.....	756,517	667,238	536,240

CANADIAN PACIFIC RAILWAY.			
Year to date,	1906.	1907.	1908.
Dec. 31.....	\$67,142,000	\$74,700,000	\$70,174,000
Week ending.	1907.	1908.	1909.
Jan. 7.....	1,059,000	1,077,000	1,098,000

CANADIAN NORTHERN RAILWAY.			
Year to date,	1906.	1907.	1908.
July 31.....	\$6,166,990	\$8,032,500	\$7,265,700
Week ending.	1907.	1908.	1909.
Jan. 7.....	107,100	141,200	105,300

DULUTH, SOUTH SHORE & ATLANTIC.			
Year to date,	1906.	1907.	1908.
Dec. 7.....	50,401	53,530	50,507
" 14.....	51,259	49,521	52,031
" 21.....	60,463	50,322	52,120
" 31.....	89,153	71,769	69,013

MONTREAL STREET RAILWAY.			
Year to date,	1906.	1907.	1908.
Dec. 31.....	\$2,819,679	\$3,516,304	\$3,586,920
Week ending.	1907.	1908.	1909.
Jan. 7.....	62,218	64,768	67,372

TORONTO STREET RAILWAY.			
Year to date,	1906.	1907.	1908.
Dec. 31.....	\$2,786,936	\$3,384,786	\$3,531,692
Week ending.	1907.	1908.	1909.
Jan. 7.....	57,892	61,702	64,971

TWIN CITY RAPID TRANSIT COMPANY.			
Year to date,	1906.	1907.	1908.
Dec. 31.....	\$5,592,079	\$6,020,542	\$6,333,297
Week ending.	1906.	1907.	1908.
Dec. 7.....	165,364	112,086	121,108
" 14.....	105,448	110,830	119,101
" 21.....	114,107	115,787	124,588
" 31.....	159,372	161,790	181,720

DETROIT UNITED RAILWAY.			
Year to date,	1906.	1907.	1908.
Dec. 7.....	105,184	114,641	129,212
" 14.....	105,809	110,070	121,612
" 21.....	115,574	119,483	122,603
" 31.....	159,941	171,173	192,363

HALIFAX ELECTRIC TRAMWAY CO., LTD.			
Railway Receipts.			
Year to date,	1906.	1907.	1908.
Dec. 7.....	105,184	114,641	129,212
" 14.....	105,809	110,070	121,612
" 21.....	115,574	119,483	122,603
" 31.....	159,941	171,173	192,363

HAVANA ELECTRIC RAILWAY CO.			
Year to date,	1906.	1907.	1908.
Dec. 7.....	105,184	114,641	129,212
" 14.....	105,809	110,070	121,612
" 21.....	115,574	119,483	122,603
" 31.....	159,941	171,173	192,363

HALIFAX ELECTRIC TRAMWAY CO., LTD.			
Railway Receipts.			
Year to date,	1906.	1907.	1908.
Dec. 7.....	105,184	114,641	129,212
" 14.....	105,809	110,070	121,612
" 21.....	115,574	119,483	122,603
" 31.....	159,941	171,173	192,363

HAVANA ELECTRIC RAILWAY CO.			
Year to date,	1906.	1907.	1908.
Jan. 3.....	31,484	36,035	36,035
" 10.....	31,137	35,009	35,009

MR. CHAS. H. NEELY, manager for Canada and Newfoundland of the Ocean Accident & Guarantee Corporation, Limited, visited the Montreal branch this week. The Corporation has had a satisfactory year's business throughout the Dominion and a substantial increase in volume of insurance written. Mr. Neely informs us that claims under Canadian policies of the corporation can be adjusted at any branch office in England, the colonies and European countries, claims being paid at par without delay or inconvenience. Such an arrangement should be very attractive to parties travelling abroad.

MONTREAL TRUST AND DEPOSIT COMPANY

Statement, November 30th, 1908.

ASSETS.	LIA BILITIES.
Demand Loans secured by collateral..... \$459,580.41	Capital Stock..... \$500,000.00
Time Loans secured by collateral..... 66,927.19	Undivided Profits..... 75,972.31
Bonds and Stocks..... 290,445.85	Savings Accounts, Fiscal Agencies, etc.... 345,876.15
Safety Deposit Vaults (including rentals due)..... 73,605.48	Dividends Accrued..... 5,458.33
Office Furniture..... 3,488.82	Dividends..... 52.00
Commissions and Accounts receivable..... 9,397.86	
Cash on hand and in Banks..... 23,913.18	
<u>\$927,358.79</u>	<u>\$927,358.79</u>

Trust Funds

Assets of Estates, etc., under administration.....	\$2,578,989.88
Trust Cash in Banks.....	90,466.90

Profit and Loss Account

For Eleven Months, ending November 30, 1908

CREDIT	DEBIT
Carried forward, December 31, 1907..... \$50,367.61	Quarterly Dividend paid April 15, 1908.. \$7,500.00
Net Profits for 11 months to Nov. 30, 1908, after providing for expenses of manage- ment, accrued interest, etc..... 58,563.03	Quarterly Dividend paid July 15, 1908... 7,500.00
	Quarterly Dividend paid October 15, 1908 7,500.00
	Dividend accrued to November 30, 1908.. 5,458.33
	Written off Vaults..... 5,000.00
	Undivided Profits, carried forward 75,972.31
<u>\$108,930.64</u>	<u>\$108,930.64</u>

COMPARATIVE STATEMENT

	1906	1907	1908 (11 months.)
Capital - -	\$415,112 50	\$500,000 00	\$500,000 00
Earnings - -	19,162 96	47,329 40	58,563 03
Percentage to Capital -	4 62	9 47	11 71
Undivided Profits	3,038 21	50,367 61	75,972 31

Audited and Verified,

G. DURNFORD, Chartered Accountant.

List of Leading Stocks and Bonds

REPORTED FOR THE CHRONICLE BY R. WILSON-SMITH & CO., 160 ST. JAMES STREET, MONTREAL.
CORRECTED TO THURSDAY, JANUARY 14th, 1909.

BANK STOCKS.	Closing prices or Last sale.		Par value of one share.	Revenue per cent. on investment at present prices.	Capital subscribed	Capital paid up	Res Fund	Per cent of Res't to paid up Capital	Rate of Annual Dividend	When dividend payable.
	Asked.	Bid.								
British North America			243	4.50	4,866,666	4,866,666	2,336,000	48.50	7	April, October.
Canadian Bank of Commerce	177 1/2		100	4.50	10,000,000	10,000,000	6,000,000	60.00	8	March, June, Sept., Dec.
Dominion			50	5.12	3,983,700	3,980,000	4,978,286	125.08	8	Jan., April, July, October
Eastern Townships	156	154	100	5.12	3,000,000	3,000,000	2,000,000	66.66	8	Jan., April, July, October
Farmer's			100		1,000,000	484,479			4	
Hamilton			100		2,476,200	2,472,841	2,472,850	100.00	10	March, June, Sept., Dec.
Pechelaga	148		100	5.40	2,500,000	2,500,000	2,150,000	86.00	8	March, June, Sept., Dec.
Imperial Bank of Canada			100		971,900	913,662	297,705	32.67	6	March, June, Sept., Dec.
Imperial			100		5,000,000	4,994,200	4,994,200	100.00	11	Feb., May, August, Nov.
La Banque Nationale			30		1,800,000	1,800,000	900,000	50.00	7	Feb., May, Aug., Nov.
Merchants Bank of Canada			100		6,000,000	6,000,000	4,000,000	66.66	8	March, June, Sept., Dec.
Metropolitan Bank			100		1,000,000	1,000,000	1,000,000	100.00	8	Jan., April, July, October
Molson's	212 1/2	210	100	4.70	3,377,500	3,374,000	3,374,000	100.00	10	Jan., April, July, October
Montreal	248 1/2	247	100	4.03	14,400,000	14,400,000	12,000,000	83.33	10	March, June, Sept., Dec.
New Brunswick			100		735,400	735,300	1,268,224	171.12	13	Jan., April, July, October
Northern Crown Bank			100		2,307,500	2,201,568	50,000	2.27	5	January, July.
Nova Scotia	283		100	4.24	3,000,000	3,000,000	5,400,000	180.00	12	Jan., April, July, October
Ottawa	25 1/2		100	4.63	3,000,000	3,000,000	3,000,000	100.00	10	March, June, Sept., Dec.
Provincial Bank of Canada			100		1,000,075	1,000,000	200,000	20.00	5	Jan., April, July, October
Quebec	122 1/2	122	100	5.71	2,500,000	2,500,000	1,250,000	50.00	7	March, June, Sept., Dec.
Royal	232		100	4.31	3,900,000	3,900,000	4,390,200	112.56	10	Jan., April, July, October
Sovereign Bank			100		3,000,000	3,000,000			12	Feb., May, Aug., November
Standard			50		1,562,500	1,560,000	1,700,000	112.12	12	Feb., May, Aug., November
St. Stephens			100		200,000	200,000	82,500	26.25	5	March, September.
St. Hyacinthe			100		504,600	331,245	75,000	22.64		
St. Johns			100		500,200					
Sterling			100		975,700	807,458	183,746	22.76	5	Feb., May, Aug., Nov.
Toronto		223	100	4.48	4,000,000	4,000,000	4,500,000	112.50	10	March, June, Sept., Dec.
Traders			100		4,367,500	4,353,092	2,000,000	45.95	7	Jan., April, July, Oct.
Union Bank of Halifax			50		1,500,000	1,500,000	1,175,000	78.33	8	Feb., May, Aug., Nov.
Union Bank of Canada	140	136	100	5.00	3,207,200	3,200,220	1,700,000	53.12	7	March, June, Sept., Dec.
United Empire Bank			100		635,500	635,500				
Western			100		555,000	555,000	350,000	63.06	7	April, October
MISCELLANEOUS STOCKS.										
Bell Telephone	144 1/2	144	100	5.52	12,500,000	12,500,000			8	Jan., April, July, Oct.
B. C. Packers Assn "A"			100		1,270,000	1,270,000				
do "B" prof.			100							
do Com.			100		1,511,400	1,511,400				
Can. Colored Cotton Mills Co	55	54	100	7.27	2,700,000	2,700,000			4	March, June, Sept., Dec.
Canada General Electric Com.			100		4,700,000	4,700,000			7	Jan., April, July, Oct.
do Pfd.			100		300,000	300,000			6	April, Oct.
Canadian Pacific	176	175 1/2	100	3.97	121,680,000	121,680,000			7	April, October
Canadian Converters	49		100	8.15	1,735,500	1,735,500			7	Feb., May, Aug., Nov.
Detroit Electric St	57	56 1/2	100		12,500,000	12,500,000				
Dominion Coal Preferred			100		8,000,000	3,000,000			7	February, August.
do Common	58	57	100	6.89	15,000,000	15,000,000			4	Jan., April, July, Oct.
Dominion Textile Co. Com	61 1/2	63 1/2	100	7.81	5,000,000	5,000,000			5	Jan., April, July, October
do Pfd.	103	102 1/2	100	6.79	1,858,088	1,858,088			5	Jan., April, July, October
Dom. Iron & Steel Com	19 1/2	19 1/2	100		20,000,000	20,000,000				
do Pfd.	72	71	100		5,000,000	5,000,000				
Duluth S. S. & Atlantic	17 1/2	17	100		12,000,000	12,000,000				
do Pfd.	107	106 1/2	100		10,000,000	10,000,000				
Halifax Tramway Co	107	106 1/2	100	5.60	1,350,000	1,350,000			6	Jan., April, July, October
Havana Electric Ry Com	41	40	100		7,500,000	7,500,000				
do Preferred	87	83	100	6.89	5,000,000	5,000,000			6	Jan., April, July, October
Illinois Trac. Pfd.	9 1/2	9 1/2	100	6.43	3,274,300	3,274,300			6	Jan., April, July, October
Laurentide Paper Com	115	113 1/2	100	6.08	1,600,000	1,600,000			7	February, August
do Pfd.	115	100	100	6.08	1,200,000	1,200,000			7	January, April, July, Oct
Lake of the Woods Mill Co. Com X D	100	99 1/2	100	6.00	2,000,000	2,000,000			6	April, October
do do Pfd.		119 1/2	100	5.85	1,500,000	1,500,000			7	March, June, Sept., Dec.
Mackay Companies Com	74 1/2	74	100	5.37	43,437,200	43,437,200			4	Jan., April, July, October
do Pfd.	70	69	100	5.67	50,000,000	50,000,000			4	Jan., April, July, October
Mexican Light & Power Co.	78 1/2	78 1/2	100		13,585,900	13,585,900				
Minn. St. Paul & S.S.M. Com	145	144 1/2	100	4.10	14,000,000	14,000,000			6	April, October.
do Pfd.			100		7,000,000	7,000,000			7	April, October.
Montreal Cotton Co.	126 1/2	123	100	5.53	3,900,000	3,900,000			7	March, June, Sept., Dec.
Montreal Light, Ht. & Pwr. Co.	115 1/2	115 1/2	100	5.18	17,900,000	17,900,000			6	Feb., May, August, Nov.
Montreal Steel Work, Com.	59	59	100	8.75	700,000	700,000			7	Jan., April, July, Oct.
do Pfd.	112	105	100	6.25	800,000	800,000			7	Jan., April, July, Oct.
Montreal Street Railway	207 1/2	207 1/2	100	4.82	9,000,000	9,000,000			10	Feb., May, August, Nov.
Montreal Telegraph	140		100	5.71	2,000,000	2,000,000			8	Jan., April, July, October
Northern Ohio Trac. Co.	103	102 1/2	100		7,938,500	7,938,900			2	March, June, Sept., Dec.
North West Land, Com.			5		294,073	294,073				
N. Scotia Steel & Coal Co. Com	58 1/2	54 1/2	100		5,000,000	4,987,600				
do Pfd.	115	100	100	6.95	1,030,000	1,030,000			8	Jan., April, July, October
Ogilvie Flour Mills Com	115 1/2	115 1/2	100	6.04	2,500,000	2,500,000			7	March, September.
do Pfd.	117	100	100	5.98	2,000,000	2,000,000			7	March, June, Sept., Dec.
Richelieu & Ont. Nav. Co.	79 1/2	79	100	6.30	3,132,000	3,132,000			5	March, June, Sept., Dec.
Rio de Janeiro		80 1/2	100		21,993,000	21,993,000				
Sao Paulo	152		100	5.92	8,500,000	8,026,636			9	Jan., April, July, October
Shawinigan Water & Power Co., X D			100		6,500,000	6,500,000			4	Jan., April, July, Oct.
St. John Street Railway			100	6.00	800,000	800,000			6	Jan., December.
Toledo Ry & Light Co.		11	100		12,000,000	12,000,000				
Toronto Street Railway	110 1/2	110	100	5.29	8,000,000	8,000,000			6	Jan., April, July, October
Trinidad Electric Ry			4.80		1,164,000	1,164,000			5	Jan., April, July, October
Tri. City Ry. Co. Com			100		9,000,000	9,000,000			6	Jan., April, July, Oct.
do Pfd.	88	85	100	6.81	2,600,000	2,500,000			5	Feb., May, August, Nov.
Twin City Rapid Transit Co.	100 1/2		100	4.96	20,100,000	20,100,000			7	Jan., April, July, Oct.
do Preferred.			100	7.00	3,000,000	3,000,000			7	Jan., April, July, Oct.
West India Elec.			100		800,000	800,000				
Windsor Hotel			100		1,000,000	1,000,000			10	May, November.
Winnipeg Electric Railway Co	157	155	100	6.96	6,900,000	6,900,000			10	Jan., April, July, Oct.

STOCK AND BOND LIST Continued

BONDS.	Closing Quotations		Rate p. c. of Int. rest or of num.	Amount outstanding.	When Interest due.	Where Interest payable	Date of Maturity.	REMARKS
	Asked	Bid						
Bell Telephone Co.	100	5	5	\$3,363,000	1st Oct. 1st Apl.	Bk. of Montreal, Mtl..	April 1st, 1925	
Can. Colored Cotton Co...	101	95	6	2,000,000	2nd Apl. 2nd Oct.	" "	April 2nd, 1912	
Dominion Coal Co. ....	..	..	5	5,000,000	1st May 1st Nov.	" "	April 1st, 1940	Redeemable at 105 and Int. after May 1st, 1910
Dominion Iron & Steel Co	80	79	5	7,674,000	1st Jan. 1st July.	Bk. of Montreal, Mtl..	July 1st, 1929	
" 2nd Mortg. Bds..	..	..	6	1,968,000	1st Apl. 1st Oct.	Bk. of Montreal, Mtl.	.....	\$250,000 Redeemable Redeemable at 110 and Interest.
Dom. Tex. Sere. "A"	96	95	6	758,500	1 March 1 Sept.	Royal Trust Co., Mtl	March 1st, 1925	
" " "B"	98	96	6	1,162,000	"	" "	"	Redeemable at par after 5 years.
" " "C"	95 1/2	95	6	1,000,000	"	" "	"	Redeemable at 105 and Interest.
" " "D"	..	..	..	450,000	"	" "	"	"
Havana Electric Railway	..	..	5	8,311,561	1st Feb. 1st Aug.	52 Broadway, N. Y..	Feby. 1st, 1952	Redeemable at 105
Halifax Tram .....	..	98	5	600,000	1st Jan. 1st July	Bk. of Montreal, Mtl.	Jany. 1st, 1916	
Keewatin Mill Co.....	105	104	6	750,000	1st Mch. 1st Sept	Royal Trust, Mtl....	Sept. 1st, 1916	Redeemable at 110
Lake of the Woods Mill Co	..	..	6	1,000,000	1st June 1st Dec.	Merchants Bank of Canada, Montreal..	June 1st, 1923	
Laurentide Paper Co.....	..	110	6	1,036,000	2 Jan. 2 July.	Bk. of Montreal, Mtl..	Jany. 2nd, 1920	
Magdalen Island.....	..	..	6	267,000	30 June 30 Dec.	" "	"	
Mexican Electric L. Co.....	84	..	5	6,000,000	1 Jan. 1 July.	" "	July 1st, 1935	
Mex. L't & Power Co....	..	87	5	12,000,000	1 Feb. 1 Aug.	" "	Feby. 1st, 1933	
Montreal L. & Pow. Co.....	99	98	4 1/2	5,476,000	1 Jan. 1 July	" "	Jany. 1st, 1932	Redeemable at 105 and Int. after 1912.
Montreal Street Ry. Co...	103	101 1/2	4 1/2	1,500,000	1 May 1 Nov.	" "	May 1st, 1922	
N. S. Steel & Coal Co.....	..	107	6	2,200,000	1 Jan. 1 July.	U.B. of Halifax or B. of N.S. Mtl. or Toronto.	July 1st, 1931	Redeemable at 110 and Interest.
N.S. Steel Consolidated ...	..	102 1/2	6	1,470,000	1 Jan. 1 July.	" "	July 1st, 1931	Redeemable 115 and Int. after 1912.
Ogilvie Milling Co.....	..	..	6	1,000,000	1 June 1 Dec.	Bk. of Montreal, Mtl..	July 1st, 1932	Redeemable at 105 and Interest.
Price Bros.....	..	105	6	1,000,000	1 June 1 Dec.	.....	June 1st, 1925	.....
Rich. & Ontario.....	..	..	5	323,146	1 Mch. 1 Sept.	.....	.....	.....
Rio Janeiro.....	90	..	5	23,284,000	1 Jan. 1 July.	.....	Jany. 1st, 1935.	.....
Sao Paulo.....	..	..	5	6,000,000	1 June 1 Dec.	C. B. of C., London Nat. Trust Co., Tor.	June 1st, 1929	
Winnipeg Electric.....	105	100	5	4,000,000	1 July 7 Jan.	Bk. of Montreal, Mtl..	Jany. 1st, 1935	

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W. Mayne McCombe - Canada Life Bldg.

[FIRE]

German American Insurance Company
New York

STATEMENT JANUARY 1, 1908

CAPITAL

\$ 1,500,000

RESERVED FOR ALL OTHER LIABILITIES

7,592,685

NET SURPLUS

4,415,353

ASSETS

13,508,038

AGENCIES THROUGHOUT CANADA.

THE CANADIAN BANK OF COMMERCE

Report of the Proceedings of the Annual Meeting of Shareholders, Tuesday, 12th January, 1909.

The Forty-second Annual Meeting of the Shareholders of The Canadian Bank of Commerce was held in the banking house on Tuesday, 12th January, 1909, at 12 o'clock.

The President, Mr. B. E. Walker, having taken the chair, Mr. A. St. L. Trigge was appointed to act as Secretary, and Messrs. W. Murray Alexander and Edward Cronyn were appointed scrutineers.

The President called upon the Secretary to read the Annual Report of the Directors, as follows:—

REPORT

The Directors beg to present to the Shareholders the forty-second Annual Report, covering the year ending 30th November, 1908, together with the usual Statement of Assets and Liabilities:

The balance at credit of Profit and Loss Account, brought forward from last year, was... \$ 675,912 10

The net profits for the year ending 30th November, after providing for all bad and doubtful debts, amounted to... 1,627,332 78

\$2,303,244 88

Which has been appropriated as follows:—

Dividends Nos. 84, 85, 86 and 87, at eight per cent. per annum... \$ 800,000 00
 Written off Bank Premises... 300,000 00
 Transferred to Pension Fund (annual contribution)... 30,000 00
 Subscriptions to Quebec Battlefields and Fernie Fire Funds and other objects... 12,000 00
 Transferred to Rest Account... 1,000,000 00
 Balance carried forward... 161,244 88

\$2,303,244 88

All the assets of the Bank have been, as usual, carefully re-valued and all bad and doubtful debts amply provided for.

Your Directors have the pleasure of reporting earnings amounting to \$1,627,332.78, which in view of the disturbed financial conditions of the year, we consider very satisfactory. After providing for the dividends and for the usual contribution to the Pension Fund, we have been able to write \$300,000 off Bank Premises Account, to add \$1,000,000 to the Rest, making that account \$6,000,000, and to carry forward \$161,244.88 at the credit of Profit and Loss Account.

During the year the Bank has opened new branches at the following places: In Ontario, at Crediton, Exeter, Forest and Theodford, the first two and the last named being branches taken over from the Sovereign Bank of Canada; in Manitoba, at Rivers; in Saskatchewan, at Delisle, Elbow, Melville, Outlook, Tugaska and Watrous; in Alberta, at Monarch; and in British Columbia, at Revelstoke and Park Drive, Vancouver. The branches at Ken-ville, Man.; Kinistino, Sask., Norwood, Man., and Ross Avenue, Winnipeg, have been closed. Since the close of the Bank's year a branch has been opened at Provost, Alta.

In accordance with our usual practice, the branches and agencies of the Bank in Canada, the United States and Great Britain, and the various departments of the Head Office have all been thoroughly inspected during the year.

The Directors again have pleasure in recording their appreciation of the efficiency and zeal with which the officers of the Bank have performed their respective duties.

B. E. WALKER,

President.

GENERAL STATEMENT, 30th November, 1908

LIABILITIES.

Notes of the Bank in circulation		\$ 9,640,845.68
Deposits not bearing interest	\$22,231,129.05	
Deposits bearing interest, including interest accrued to date	72,806,666.97	
		95,037,796.02
Balances due to other Banks in Canada		165,408.36
Balances due to other Banks in foreign countries		1,131,386.64
Dividends unpaid		1,532.69
Dividend No. 87, payable 1st December		200,000.00
Capital paid up	10,000,000.00	
Rest	6,000,000.00	
Balance of Profit and Loss Account carried forward	161,244.88	
		16,161,244.88

\$122,338,214.27

ASSETS.

Coin and Bullion	\$4,584,049.06	
Dominion Notes	8,503,293.25	\$13,087,342.31
		11,850.55
Balances due by other Banks in Canada		6,750,669.18
Balances due by Agents of the Bank in the United Kingdom		3,191,278.88
Balances due by Agents of the Bank, and other Banks in foreign countries		4,344,762.50
Notes of and Cheques on other Banks		14,298,561.11
		7,314,181.53
Call and Short Loans in Canada		10,622,703.14
Call and Short Loans in the United States		4,673,390.71
Government Bonds, Municipal and other Securities		450,000.00
Deposit with Dominion Government for security of Note circulation		
		\$50,446,178.80
Loans to other Banks in Canada, secured		1,061,252.09
Other Current Loans and Discounts		68,694,649.07
Overdue Debts (loss fully provided for)		143,648.74
Real Estate (other than Bank Premises)		36,325.44
Mortgages		27,102.91
Bank Premises		1,727,444.33
Other Assets		201,612.89

\$122,338,214.27

ALEXANDER LAIRD, General Manager.

(Proceedings continued on following pages).

THE CANADIAN BANK OF COMMERCE.—Continued

Among those present were: J. Crathern, Montreal; Hon. W. C. Edwards, Ottawa; J. Hoskin, K.C., LL.D.; A. Kingman, Montreal; R. Kilgour, Hon. G. A. Cox, H. B. Walker, Montreal; Hon. L. M. Jones, E. R. Wood, H. D. Warren, G. Murray, West Toronto; W. Cook, Carrville; Rev. Dr. Somerville, J. E. Belcher, Peterboro; A. E. Kemp, R. P. Batchart, Victoria; J. W. Campbell, Calgary; J. L. Watt, J. S. Willison, G. A. Somerville, J. K. MacDonald, W. H. Lockhart Gordon, Richard Brown, T. Gilmour, J. L. Blaikie, R. Gray, P. G. Vanveet, W. Garside, Mr. and Mrs. F. J. D. Smith, Newtonbrook; Mr. and Mrs. C. M. Grippion, St. Catharines; J. A. Bruce, Hamilton; F. G. Bruce, Hamilton; W. W. Tamblin, Bewmanville; J. A. Morton, Hon. Justice Britton, W. T. White, T. A. Russell, J. C. Sinclair, Z. A. Lash, K.C., W. Craig, A. Campbell, Major Keeter, S. Nordheimer, F. H. Gooch, J. O. Thorn, G. F. Beer, W. McArdie, Oshawa; W. Glenney, Oshawa; J. S. McMaster, R. C. Carlyle, R. Harmer, W. Davidson, Henry Beatty, F. Beecher, A. Smith, G. A. Mowat, T. Walmsley, W. B. Meikle, G. H. McLaren, Hamilton; R. T. Coady, J. S. Lovell, F. Sanderson, R. Davies, S. R. Wickett, J. Westren, Dr. J. H. Carriague, J. L. Watt, A. E. Ferrie, W. Prendergast, J. Aird, Winnipeg; L. J. Cosgrove, J. M. Clark, W. MacKenzie, and others.

GENERAL MANAGER'S ADDRESS.

The General Manager in his address said:—

In our last report we took occasion to say that, after a period of unusual financial stringency, we must expect diminished banking profits; and the year now closed has shown a general disposition to liquidate old obligations rather than to create new ones. A lack of confidence is usually accompanied by a desire to accumulate funds, and this means unwillingness to risk investments in enterprises which are attractive and desirable. Our statement gives every indication of the great change in our financial position during the year. We are still feeling the effects of the general liquidation already referred to, and this must be reflected in our earning power. Confidence, however, is returning, and we have every reason to believe that the coming year will bring a fair measure of prosperity.

The net profits for the past year show a decrease of \$125,016.89 as compared with the figures of the previous year, but they are slightly in excess of 16 1-4 per cent., on the paid-up capital, and under the circumstances we feel that this result is a very satisfactory one. Had it not been that the volume of our loans was well maintained during the early part of the year, the decrease would have been much greater.

We have paid the usual dividends at the rate of 8 per cent. per annum, and after providing for the customary payment to the Pension Fund and for some special subscriptions, and adding \$1,000,000 to the Rest, we have been able to set aside \$300,000 for Bank Premises Account, and to carry forward undistributed profits of \$161,244.88. This emphasizes the position this Bank is in as regards the maintenance of its present rate of dividend, and, while some of the shareholders may feel that they are entitled to a larger distribution of the profits of the Bank, we believe the majority will agree with us that the present moment, when we are facing a period of diminished demand and consequent lower rates for money, is hardly opportune for the consideration of this question, and that the policy your Executive has followed of strengthening the foundations of the Bank is that which will tend most surely, in the not distant future, to the realization of the hopes of those who look for increased returns. It is possible that some may think our expenditures on bank premises might now be lessened to some extent, and in this connection we may say that the principal buildings which we feel at the present time are necessary should, in the course of the next two years or thereabouts be completed. But the rapid extension of the Bank in the newer parts of this country, and the remarkable growth exhibited by many of the cities and towns of these new districts, are constantly making demands upon us for accommodation which we find it difficult—indeed, well nigh impossible—to obtain in any other way than by erecting our own buildings.

During the year our deposits have increased by \$7,996,738, or almost eight million dollars, of which about six million dollars is in deposits bearing interest. It may be interesting to note that, starting last year with deposits of \$87,941,957, some of which were of a temporary character, being balances of large accounts in process of adjustment, there was a decrease until April, when we reached the lowest point \$82,257,018. The past six months showed a steady increase, culminating in our record of \$95,937,796. On the other side of the balance sheet, our loans stand at \$87,632,785, as compared with \$88,768,829 in our last report, the decrease being mainly under the heading of "Current Loans and Discounts" which represents almost entirely our share of the commercial loans of the country. In this item the decrease is \$7,378,622; while, on the other hand, our Call and Short Loans have increased \$5,241,327.

We have not had a recurrence of difficulties attending the marketing of our crops, and, perhaps, a word on this question will not be out of place. There was little or no apprehension of stringency during the crop season. Our easier financial position, the wise provision for an emergency circulation, and the fact that a large portion of the crop was moved with exceptional rapidity before the close of navigation, all tended to obviate these difficulties; still there is much need to consider seriously permanent measures for financing a crop movement of such large proportions. It is manifestly necessary that there should be a larger amount of bank capital available as a basis for our circulation, but, even with a considerable augmentation of bank circulation and the thoughtful interposition of Government measures of relief, we shall still be brought face to face with the difficult problem of taking care of immense stores of grain after the close of navigation, when the interior movement is over and the grain is warehoused at terminal points.

A year ago we were experiencing a world-wide financial disturbance, with a money stringency of almost unprecedented severity. A policy of extreme conservatism was forced upon Canadian banks, and, as a consequence, they were subjected to much criticism for their practice of carrying loans at call in New York, it being argued that these moneys ought to have been wholly employed in meeting the needs of the manufacturing and mercantile interests of Canada. The fact that the banks have moneys lent outside Canada, at a time when there is a strong demand for accommodation on the part of the business community here, not unnaturally appears open to criticism to persons who are not possessed of all the facts, and, as the subject is one which seem likely to continue to come under discussion from time to time, we think it well to add to what has already been said by other bankers in reply to this criticism.

In November, 1907, when the foreign loans of Canadian banks were at their low point—\$64,774,000—the Canadian banks held deposits elsewhere than in Canada amounting to \$54,819,000, so that not more than \$10,000,000 of Canadian funds were being lent outside Canada. Moreover, the larger portion of these loans are carried in New York at 24 hours' call—practically as readily available as cash. Except at rare intervals, New York call loans bear a much lower rate of interest than Canadian mercantile loans; consequently the banks aim to carry only such an amount of call in New York as, with the cash carried here, will constitute a reasonable reserve of cash and immediately realizable funds. Notwithstanding all that financial critics have written about the Canadian banks sending to New York moneys needed in Canada, in order to take advantage of the high rates occasionally prevailing there, such a thing as a bank curtailing its commercial loans in Canada for a purpose of this kind is absurdly improbable. Only occasionally during the past fourteen years have excessive rates for call money in New York prevailed for more than a few days in the year, and no sane banker would think of sacrificing permanent business connections in Canada, of even the smallest kind, for such a temporary advantage. Self-interest will at all times be a sufficiently weighty force to prevent the banks from lending Canadian funds outside of Canada except to the extent that is necessary for the purposes of their cash reserves.

From the figures quoted above it will be seen that, so far from the business interests of Canada being prejudiced by the policy of the Canadian banks in this matter, they are actually benefited, and in no small measure, since the deposits gathered abroad supply a large part of their cash reserves. Had the banks at the date mentioned had no deposits and no loans outside of Canada, only \$10,000,000

would have been added to their resources at home, and this would not have been lent for commercial purposes. On the contrary, in order to bring the total reserves up to the normal level, not only would it have been necessary to add this sum to the cash reserves carried here, but also to withdraw a further large sum from mercantile loans.

During the panic in the United States some of our newspapers published sensational and misleading articles to the effect that the funds lent by Canadian banks in New York were tied up and could not be got back to Canada. Notwithstanding the severity of the panic, however, there was not a day during which moneys lent to New York brokers on call could not have been got in, and, while it is true that, if it had been desired to ship money to Canada direct from New York, a premium of 3 to 5 per cent. would have fallen to be paid, on the other hand New York funds could at any time have been exchanged for drafts on London, and the gold brought from there—indeed, this procedure was followed to a considerable extent by the New York agencies of some Canadian banks. No more convincing evidence could be had of the availability of call loans in New York than is afforded by the experience of last year.

On the general subject of the moneys lent in the United States, it may properly be argued that reserves are for use in a time of emergency, but on this score it can be shown that the course of the Canadian banks last autumn was not at all open to criticism. In the month of September, 1907, the total loans of Canadian banks outside Canada amounted to \$88,953,000, while at the end of November, when the stringency was most severe, they had been reduced to \$64,774,000—from which it will be seen that the banks had drawn upon their outside reserves to the large amount of \$24,000,000 to meet the necessities of the mercantile community in Canada. We may be permitted to express our opinion that, with very few exceptions indeed, the Canadian banks last year faced a very trying situation with courage and a proper sense of their obligations to the business community. As far as this Bank is concerned, we are able to say that no lines of credit for customers were cancelled and no customer from the Atlantic to the Pacific was refused accommodation for his legitimate requirements.

PRESIDENT'S ADDRESS.

In moving the adoption of the Report the President said:—

It is hardly necessary to say that the conditions of business are very different from those of a year ago. We were then required to meet the serious lessening of our purchasing power because of poor crops in Canada, and our share of the result of the culmination of a world-wide expansion in general expenditure, and particularly in the fixing of capital in public and private improvements. We have now had a year in which the pace of expenditure throughout the world has been sufficiently checked to ease the money markets, and in Canada we have gathered an excellent harvest. Better class securities almost everywhere have recovered in price to such an extent as almost to wipe out the apparent losses which seemed too serious a year ago, and which were, of course, real to those who were forced to sell. The lessening of our power and disposition to purchase goods has naturally lessened the profits of many manufacturers and merchants; but all this was inevitable, and I think those who consider sufficiently must conclude, as a year ago we suggested would be the case, that we have suffered far less than most other countries. Whether we have suffered enough for our own good is another matter.

The total of the bank clearings for 1907 in thirteen Canadian cities was \$4,325,000,000, while for 1908 it was \$4,142,000,000, so that the falling off is only 4.2 per cent. Owing to the change in the fiscal year of the Dominion Government, which now ends 31st March, we cannot make very useful comparisons between the years ending at that time in 1907 and 1908, but it is evident that up to the end of March, 1908, no decrease in the volume of imports and exports had taken place. But by comparing the half-years—April to September inclusive—we obtain very suggestive figures. For this half-year in 1907 the imports were \$292,700,000 against \$149,500,000 in 1908, and the exports were \$138,200,000 against \$118,700,000 in 1908. So that an excess of imports amounting to \$64,500,000 for the

half-year in 1907 had been lessened to \$30,800,000 in 1908; As far as the mere lessening of the difference between exports and imports is concerned, this is fairly satisfactory. During the ensuing half-year—October to March inclusive—both exports and imports will doubtless show large increases, but it will be very interesting to see whether we have maintained or improved the relation between what we sell abroad and what we buy. So long as we are not only settling large numbers of immigrants in our new provinces but spending what is necessary to prepare for still larger immigration, we must expect to buy abroad more than we sell, but financial safety lies in preserving reasonable proportions between our purchases and sales. The great difference of the last few years have—except during temporary periods of stringency—been adjusted with comparative ease by the sale of our securities, mainly in Great Britain, but also to a small extent in the United States. This comparative ease, it is well to remember, is due to the high state of our credit in London and sympathetically elsewhere; and the maintenance of this high credit depends upon ourselves. Some idea of the growth in our financial transactions abroad may be gathered from the following facts. During 1908 the total issue of Canadian securities in the shape of bonds was \$196,357,000, of which about \$77,500,000 were in government issues, \$17,500,000 in municipal issues and \$71,300,000 in bonds of railway and industrial corporations. These bonds were sold as follows:—

In Great Britain	about \$165,000,000
In Canada	25,000,000
In the United States	about 6,000,000

The most satisfactory feature is the generally high character of these securities. Without undertaking to express an opinion about any particular issue, it is safe to say that few countries have produced better securities, as a whole, than those issued by Canada in recent years. Our high credit clearly depends upon a continuance of high quality in our securities and moderation in the quantity offered at any one time.

THE MARITIME PROVINCES.

The prosperity of these provinces has naturally been more unevenly distributed than usual owing to the lower prices and restricted markets generally prevailing, but except where the conditions of manufacturing, including lumbering, have affected the result, there has been general although moderate progress. The winter was mild, the spring dry, and the land ready for seeding early. The season favourable for growth and the yield in most crops has been up to or above the average, dairying has been prosperous, cheese and butter bringing record prices; apples, while not so plentiful have been of better quality and brought more money; other fruits have also done well. Hay has been a heavy crop but with lower prices. Taken as a whole, agricultural results have been satisfactory, marred somewhat by lower prices.

In fishing, because of the great length of the coast line, there has been the usual variety of results in different localities, but as a whole the supply of fish has been maintained. Prices, however, have been less satisfactory, partly because of the general conditions of trade, but also because in the dried-fish trade there has been unwholesome competition for some years past, resulting in high prices to the fisherman but in losses to the merchant. Prices have now fallen to a level which should eventually put the trade on a sounder basis.

The hope of an improvement in the markets upon which New Brunswick and Nova Scotia depend for the sale of lumber did not prove well-founded. The cut for the winter was larger than had been estimated, and this, added to large stocks already on hand, has not helped matters. The stringency in money forced many dealers in the Baltic and elsewhere to sell at a sacrifice and the European markets were thus flooded with cheap lumber at a time when the demand for lumber, especially in box-making—because of strikes and declining trade—was at a minimum. The slaughtering of prices, however, has taken place; stocks abroad are lower; the cut this winter will be even smaller than last; spruce may, to some extent be made into boards for other markets instead of deals, and a distinct improvement in prices and in volume of trade is already evident from recent cable advices.

It is pleasant to record that, despite general depression in the trade of the world, the quantity of Canadian coal mined and shipped was larger in 1908 than in 1907. There

has been sharp competition due to many times the usual quantity of American coal being sold in Montreal at low prices, because of bad markets at home. Since October the markets have been depressed, and much will depend upon the trend of prices and of production in the United States.

Our largest steel company has again had a successful year, nearly all the departments having been well employed, and the earnings exceeding those of 1907. In view of the condition of the steel trade throughout the world this is a very satisfactory state of affairs. It seems also probable that the works will be well if not fully employed throughout the coming year, although doubtless on a lower basis of prices. During the year the company tendered successfully, although at current British rates, for about 25,000 tons of rails for India and Australia.

In other manufactures, especially those depending on railroads or other large works, or upon Western trade generally, there has been a sharp falling off in volume, and although a recovery has set in it must be at lower prices, and the immediate outlook is not very promising.

ONTARIO AND QUEBEC.

While the results of the year's farming operations have been a fair average in Ontario, they have been below the average in Quebec. Spring conditions were favourable in most parts of Ontario, but the season was late in Quebec and in Eastern Ontario. In both provinces the unusually dry period during the summer affected the yield in the case of many crops and the farmer suffered like others from the decline in prices. Still the year was one of prosperity although the farmers' purchasing power is for the moment lessened by the effect of the poor crops of 1907. The acreage of fall wheat sown in all Canada for the crop of 1909 is five per cent. less than normal, although there have been great increases in the three prairie provinces and in Quebec. The reduction in the general average is caused by the Ontario acreage falling to 86 per cent. of the normal amount owing to the drought and consequent bad condition of the ground for working. Any loss due to this will doubtless be made up in other directions. Hay and pastures generally were of course affected by the drought. The value of the hay and other fodder crops, of potatoes and roots, including sugar beets, in Ontario and Quebec is very great, and yet in discussing crops from year to year we are apt to forget the importance of these relatively to the cereals. The Government report for November shows the value for all Canada of these root, seed and fodder crops to be \$186,000,000, of which 48 per cent. was grown in Ontario and 28 per cent. in Quebec, the money value for 1908 in the two provinces being \$142,500,000.

For a second time dairy exports are much less than for the record year of 1906, and while this is partly due to the lack of rain and a lessened number of milch cows, we have apparently come to a point in the trade where its growth cannot be judged by the exports alone as it has been possible to do heretofore with a fair degree of accuracy. Fortunately the statistics now published by the Dominion Government make a study of the subject quite easy. There has been another marked decline in the total value of cheese exported, the quantity shipped from Montreal being valued at only \$17,142,000, against \$20,941,000 in 1906, although the average price was the highest on record. In butter there is an improvement of about 50 per cent. over the extraordinarily low figure of 1907, but even then we show exports valued at only \$1,266,000, as against \$7,400,000 in 1905. If we compare 1908 with 1903 the loss in value of dairy products exported is about \$8,000,000, if, however, we take into account the requirements of our greater population, an increased supply worth about \$9,000,000 is now required for home consumption. But this is not a sufficient explanation, because the decline in exports has been as great since 1906 as since 1903. There is no doubt that it is also due in a large measure to the more lavish expenditure at home for all dairy products owing to our increased prosperity. The total value of the entire dairy product of Canada for 1908 is estimated at \$94,000,000. There are in Quebec 2,806 factories for the making of cheese, or butter, or both, and in Ontario 1,284, while in all the rest of Canada there are but 265. This comparison gives some idea of the opportunity for expansion in this most valuable branch of farming. No matter how great is the home consumption the growth of our dairy business should be great enough to provide for it, and barring lean pastures, to increase annually the quantity available for export. It is most unfortunate that at a time when

there has been drought in Australia and New Zealand the same thing has occurred in Canada. As a consequence the falling off in the supply of colonial butter in Great Britain has been so great that prices have been the highest in twenty years, and foreign butter makers being unable to supply the deficiency to any considerable extent, it has been supplied by various cheap substitutes for butter, doubtless to the disadvantage of our future trade in the real article.

Exports of apples have also been smaller owing to the prolonged dry weather. As against 630,000 barrels in 1907 we exported only 351,000 in 1908 the average for nine years being 430,600.

The market for horses has been satisfactory. Owing to the reduction in the herds on account of the lack of food supplies in 1907, and the dry season of 1908, there is not the same improvement in the cattle of Ontario and Quebec as has taken place in the West, and a season or two of our usually plentiful food supplies will be necessary before we have entirely recovered. It is also regrettable that the Ontario farmers have for two or three years paid less attention to hog raising than formerly, partly, of course because of the scarcity of food; the effect has been to lessen the steadiness of our supply of bacon and to give our chief competitor, the Dane, a renewed hold on the market in Great Britain.

The stringency in money has affected the lumber trade of Ontario and Quebec as elsewhere. Large transactions for a time practically ceased, but the manufacturers are as a rule able to hold their stocks, and are unwilling to make much concession in price. There are now signs, both in Great Britain and the United States, of some renewed interest, and this particular trade will doubtless recover its strong position as quickly as any other. There is naturally some lowering of the cost of manufacture, although this will not have its full effect upon boards sawn this year.

In almost all branches of manufacturing there has been a large falling off in output, causing a considerable number of people to be out of employment, and all shopkeepers and distributors of goods to experience a corresponding diminution in the volume of sales and in profits. This inevitable result of the necessary check which has come to the world's expansion is now gradually passing away, and we can look hopefully to the future, especially in view of the unusual growth of this country. In many branches of manufacturing orders are now coming in quite satisfactorily, and many stocks which had become low are being replenished.

Much the most interesting feature in the development of Ontario has been the Cobalt mining camp and the prospect of new areas of similar character. The actual silver shipments of 1907 have advanced us to the fourth position among the world's producers, as compared with the fifth position a year ago. We have passed Germany and we may pass Australasia in the near future. Up to the close of 1907 the total value of silver produced at Cobalt was \$11,300,000; and of this about \$6,000,000 was shipped in 1907, the average value being about 65 cents per ounce. The quantity of ore shipped in 1908 was about double that of 1907, but the average value having fallen to approximately 52 cents per ounce, the money result is only about \$9,500,000. Had the price of silver remained as in 1907 the value of the product of 1908 would have been about \$12,000,000. The result is in any event very gratifying and is still due largely to development work. The most notable new areas are in the Montreal River district about 75 miles northwest of Cobalt, where the general conditions seem to be practically similar to those at Cobalt. It is too early as yet to guess whether Cobalt is to be repeated. The shipments from Cobalt have been made by about 40 companies; 24 of these are regular shippers, and 15 are paying dividends. Unfortunately these 15 dividend payers are the examples upon which numerous companies are being created, most of which will not reach the dividend paying stage. The total capital of the companies listed on the Exchange is about \$56,000,000 and their shares are quoted as worth about \$58,000,000. In addition to these there are many companies whose shares are not listed. It is of course possible that this rich camp may as a whole justify these figures, but, if so, it will almost surely mean that a few have made large sums while a very large number of exceedingly foolish people have lost all that they had invested. While Cobalt can produce silver cheaper than any mining area in the world except those where it is a by-product, the fall in the world's price for silver is disappointing. If the low price continues many mines in other countries must close down, and this would tend to a movement upward.

The total value of all minerals produced in Canada in 1907 was \$85,000,000, against \$65,000,000 five years ago and \$10,000,000 twenty years ago.

While the smaller number of immigrants and other travellers, and the lessened imports, have been unfavourable factors, Montreal as a port has done well during the past year. It now occupies the fifth place in North America, being surpassed by New York, Galveston, Boston and New Orleans. The value of incoming and outgoing merchandise for 1907 was 192,000,000, and to meet the requirements of this great trade the Harbour Commissioners have made important improvements of the most modern character. The Marine and Fisheries Department have also for some years past been steadily improving the lighting of the St. Lawrence, and it is claimed that during the last eight years the decline in insurance rates has been such as to make a saving to freight and vessel owners combined of about \$6,000,000.

MANITOBA, SASKATCHEWAN AND ALBERTA.

There is little to say this year about the prairie provinces that is not pleasant to hear. So far as agriculture is concerned the work of seeding was done under very good conditions, and with ideal weather in June, the sanguine hopes of early July, which went as high as 125,000,000 bushels for wheat, were not without justification. But July was too hot and in August there was some frost. The total yield did not come up to the calculations of the most optimistic, but it is the largest ever secured in all kinds of produce. Both yield and grade, when the grain was not frosted, were good, and with prevailing prices the money return is of course larger than in any previous year. Our estimate of the total quantity of cereals is as follows: Wheat, 106,040,000 bushels; oats, 103,200,000 bushels; barley, 23,380,000 bushels; or in all, 232,620,000 bushels, against 160,000,000 in 1907 and 32,000,000 in 1900. The West has seldom had a season more favourable for the threshing and movement of the crop, and also for the preparation of the land for the following year. As a consequence it is estimated that the acreage for 1909 will exceed that of 1908 by 15 to 20 per cent., making a total acreage of 11,500,000, of which about 7,250,000 will be in wheat. With this bountiful crop for 1908 and the handsome promise for 1909 it is well not to forget such years as 1907. There are many avenues of economy and profit open to the Western farmer which, because of the ease with which he acquires wealth, he is apt to neglect. This is unfortunate for the country as a whole, and some day it may be unfortunate for him. Apparently he does not always prepare in the fall as large an acreage as possible for early seeding in the spring, nor is he always careful to use good seed; he does not use fertilizers to any reasonable extent, nor destroy noxious weeds with sufficient vigour, nor does he prepare for a proper rotation of crops; and it is regrettable that the higher branches of farming, such as dairying, the breeding of good cattle, horses, hogs and sheep, and the raising of poultry are not being more rapidly developed. However, the Manitoba Government is doing good educative work of this kind in its Agricultural College, and the Governments of Alberta and Saskatchewan have shown in many ways that they are alive to these most important questions. The example also of the well trained farmers who are to be found in many districts must tell in time; indeed, there are many parts of the three provinces in which great progress in mixed farming is already noticeable.

From the best information we can get the year just closed is regarded as an exceptionally good one in the cattle trade. Prices have been satisfactory and the European markets have been steadier than at any time since 1892. The prospects for a continuance of good prices seem particularly bright owing to the general shortage of cattle in all exporting countries, and especially in the United States. Canadian herds from the Atlantic to the Pacific are now reported by Government experts to be entirely free from disease, and a most careful quarantine against foreign countries as to cattle, cattle products, and horses, is being maintained. On the Western ranges the grass is excellent and well cured, and animals intended for next year's market should come through the winter in good condition. While it is difficult to obtain reliable records of the number and total movement of cattle in the West, the following figures will be of interest. The shipment for export for the last four years has been as follows:—

1905	64,287
1906	86,575
1907	53,556
1908 (to 5th December)	100,454

These figures indicate clearly the severity of the winter of 1906-7, and also the recovery from its effects. The total number of cattle, horses and sheep in the three provinces is estimated as follows:—

	Cattle.	Horses.	Sheep.
1901	942,625	340,329	182,616
1906	1,194,598	682,919	304,531
1908	2,073,840	737,659	307,632

Now that the slight check to the growth of the West, caused by the world-wide stringency in money, the poor crops of cereals and the bad winter for cattle, is passing, it may be well, if you are not already tired with figures, to give some of the evidence afforded by statistics of the rapid growth of the prairie provinces. We have already dealt with grain and cattle. In lumber the cut for the country between Lake Superior and the Rocky Mountains—a district not very important in timber areas compared with other parts of Canada—has grown from 119,000,000 feet in 1899 to 265,000,000 feet in 1907. In coal from mines in Alberta and Saskatchewan, the growth in the same period has been from 334,000 to 1,757,000 tons. The grain storage capacity, including terminal elevators, has grown from a little under 20,000,000 bushels in 1899 to 61,000,000 bushels in 1908. The milling capacity, of which we have no records for 1899, has grown from under 20,000 barrels per day in 1903 to over 40,000 barrels per day in 1908.

The railway mileage in the three provinces has grown from 2,000 miles in 1900 to 8,650 miles in 1908, and the demand for branch lines is still as pressing as ever. The Premier of Alberta has stated his views as to the necessity for greater transportation facilities in his province so urgently, that we cannot doubt but that his people and those of Saskatchewan are keenly alive to the advantage and necessity of being able to get their crops speedily to the seaboard. The movement of cars will illustrate the poorness of the crop of 1907 and the excellence of the crops of 1906 and 1908, and also the improved capacity of the railroads. For the twelve months ending 31st August, 1907, the number of cars carrying grain was 80,507; for the corresponding period in 1908, 63,978, while for only three months of 1908, from September to November inclusive, the number was 48,898. In southern Alberta and at scattered points elsewhere there have been strong complaints of car shortage, but as a whole the service of the railroads has been better than usual.

The number of homesteads and pre-emptions exceeds all previous records, partly because of the new Land Act, which came into force only on 1st September, since which time a great rush has occurred. The number of entries during the first nine months of the past three years has been as follows:

1906	1907	1908
37,690	23,129	41,963

It seems safe to assert that the new policy of the Dominion Government regarding the desirability or otherwise of those who propose to settle in Canada is bearing good fruit, as those who have taken up land during 1908 have been as a rule of a better class than in previous years. The number of settlers coming into the three provinces during the past year is estimated at 105,000, of whom about 40 per cent. were from the United States.

The population of the three provinces has grown from 414,000 in 1901 to 975,000 in 1908; the value of goods entered at the Customs Department from \$6,200,000 in 1899 to \$26,000,000 in 1907; the number of branch banks from 29 in 1899 to 507 in 1908; the bank clearings from \$107,786,000 in 1899 to \$717,423,000 in 1908.

These figures abundantly illustrate the prosperity of the West, and we may fairly expect that Eastern business dependent on the West will now improve. Still it must be remembered that, owing to the poor crop and the cattle losses of 1907, the West, so far as its immediate buying power is concerned, is not very much ahead of where it was at the end of 1906. It is sincerely to be hoped that the desire to spend freely and to incur debt will not immediately return, and that some of the lessons in economy may remain permanently impressed upon the people.

BRITISH COLUMBIA.

Depending as this province does on a few very important staple products and not upon general agriculture or a diversity of manufactures, the decline in trade elsewhere was at once reflected in the demand and prices for such products.

The lumber business has been even less satisfactory than in the East. The demand from the prairie provinces

was necessarily very small, owing to poor crops and tight money, and for export little business was possible, and only at unsatisfactory prices. To the extent of the stocks of lumber on hand, of such logging and lumber or timber making as could not be avoided, losses will be sustained, but, as we have said before, the log is near the mill in the Pacific areas, and therefore adjustment of supply to demand is quickly made. As a consequence, there is already a better outlook, and we may hope to see this important trade in a healthy condition again before long. The value of standing timber has practically not been affected by the stringency in money, although there may have been some speculators who were forced to sell at a concession. Whether the estimate of the total quantity of timber in British Columbia, which I shall give later, is accurate or not, the value of it is so enormous that too much cannot be said in favour of proper forestry regulations. The loss by fire is simply appalling when reduced to money value, and the loss by careless and wasteful operations, both in the woods and at the mill, seems even more inexcusable, because it might be more easily remedied.

The output of coal in the province which in 1907 was 2,220,000 long tons, fell to 2,013,000 in 1908, but in view of the fire in the Crow's Nest Pass and the shrinkage in trade, this is not a very serious recession in production. Copper mining ranks next in importance to coal in British Columbia, and the fall in the price of copper is, perhaps, the most noticeable feature in connection with the check to the world's expansion. But, notwithstanding the fact that the copper market has been dull during the whole year, and the price as low as 11 to 13 1-2 cents, as against an average of 20 cents in 1907, the mining and smelting industries of the Boundary district have been actively and even profitably employed. Ore shipments are larger than in 1907 or any previous year; additions are being made to plants to increase the present large daily output, new records in which have been made this year. The two large companies are now able to treat from 150,000 to 175,000 tons monthly. Recent diamond drill borings have confirmed the impression that they have an almost inexhaustible supply of ore, and as the trying time they have experienced as to prices has shown how cheaply they can produce the copper, there seems no reason to fear that this great district will not permanently hold its important place in copper production. There was a moderate increase in the quantity of ore treated or mined at Rossland, but a larger decrease in other Kootenay mines, leaving the totals for eleven months at 385,000 tons, against 417,000 tons for the same period in 1907. The great fall in price of copper, silver and lead has accentuated the difficulties of costly transportation, lack of capital, and sometimes lack of experience, in the various mining fields in British Columbia; yet there a great deal of activity in them at the present time, and eventually many new mining areas must become important sources of wealth to the province. Most noticeable among these, both in development work and the railroad building directly connected with mining, are the various areas in Northern British Columbia and the lower part of Yukon, which are more or less tributary to the White Pass and Yukon Railway. It is too early to say anything definite about the ultimate value of the copper and silver properties in these new mining fields, except that with the next rise in copper the mines of that character will doubtless become profitable.

The planting of trees, with a view to future fruit crops, is progressing rapidly, and the fruit produced in 1908 was excellent in quality and in yield. Prices, although generally profitable, were affected by the depression in trade, but the growers suffered mainly from the lack of organization in this comparatively new industry. The very large number of trees now being planted will before long come into bearing, and the perfecting of arrangements for packing, the supply of labour, cheap and rapid transportation, the selection of the best markets, etc., will suddenly become subjects of vital concern. There is an evident improvement in many of these features every year, and we must hope that the railroads will soon be able to give better service at lower rates.

In general farming there is considerable progress, especially in the valley of the Fraser, but British Columbia still buys from Eastern Canada very large quantities of dairy products, eggs and other things, all of which should be produced in the province.

The salmon pack last year was 542,689 cases. This was one of the lean years, but the catch has been considerably larger than that of the corresponding year of 1904. This year the big catch is due. Halibut fishing grows in im-

portance, but, unless our rights are guarded, the advantages are likely to continue to be gained by our neighbours. During 1908 about thirty-nine million pounds of halibut caught off the coast of British Columbia were shipped to Seattle, as against thirteen million pounds to Vancouver. If the conditions surrounding the catching of these fish by Americans are in all respects within the law, we have no right to complain, but it is claimed that if the law were strictly observed fishing by American vessels would be practically impossible in any large way. We should have government cruisers in sufficient numbers to protect our rights, and there is no time to be lost in attending to this. These remarks are just as pertinent to the fishing grounds which should be tributary to Prince Rupert as to those in other British Columbia waters.

Taken as a whole, the province has had another year of prosperity and of satisfactory development, looking towards a much enlarged future. It has suffered considerably from the temporary decline in the lumber trade and from the terrible fire in the Crow's Nest Pass. But the rebuilding of Fernie on a larger and more solid basis than ever is significant of the West. Such troubles are but incidents which may delay but cannot stop the growth of the country. In other respects, while trade has been restricted somewhat as elsewhere, almost all classes have contrived to make or save money. The Provincial Government, so hampered, some years ago, by the smallness of its revenues collected last year nearly six million dollars in government dues, only about ten per cent. of which was from direct taxation. The revenue in 1903 was only two millions. Victoria continues to grow and Vancouver seems destined to become a great city. Assessed values in Vancouver have risen from \$19,500,000 in 1900 to \$61,700,000 in 1908.

Before passing to the United States, it may be well to repeat the statement recently made by the Census and Statistics Office regarding the quantities and values of the field crops of Canada. The area of these crops exclusive of British Columbia is given as 27,505,663 acres, and the computed value at the average local market price as \$432,533,000. These figures show an average value per acre for the field crops of the Dominion, of \$15.72.

UNITED STATES.

While it was impossible that the three Pacific states in which we are directly interested should fail to feel the effects of disturbance in the markets elsewhere, the check to business did not become generally acute or lead to widespread financial distress, and conditions are now growing steadily, although slowly, more normal.

The lumber markets, the depression in which had set in a year ago, were worse than those for any other leading commodity. The larger manufacturers shut down, thus stopping production, but many of the smaller mills could not do so, and a general slaughter in prices took place. The natural difficulties were intensified by the action of the railroads in increasing freight rates to points east of the Missouri River, thus closing these markets to the Pacific Coast lumbermen for the moment. But already the change for the better is most apparent. Most of the larger mills are again running on full time, and with a good supply of orders; freight rates have been somewhat improved; railroads, which were practically not buyers during most of the year, are calling for bids on a large scale; the demand for ordinary building purposes is already very important, and a return to normal conditions in the near future seems assured.

In view of the rapid destruction of timber going on throughout the world, a correspondent of the London Times, in a recent article, draws attention to the quantities estimated as still standing in the Pacific Coast areas of North America, as follows:—Oregon, 225 billion feet; Washington, 195 billion; California, 180 billion; British Columbia, 150 billion; Idaho and Montana, 100 billion; a total of 850 billion feet. Canada, as a whole, is credited with 500 to 600 billion feet. The deep interest of the European world in these last great stands of timber in North America should not be forgotten when we consider our own national future. We may see the forests on which we have placed so much reliance disappear with a rapidity we have not supposed possible. The quantity and value of the lumber produced from the Douglas fir of Oregon and Washington, the sugar pine, the white pine, and the redwood of California, all combined, will illustrate in a startling manner the depletion which is going on, and the enormous money value of these staples:—

	Feet	Value
Total production 1905...	4,910,000,000	\$ 73,450,000
Total production 1906...	6,080,000,000	104,200,000
Total production 1907...	5,200,000,000	85,500,000

Taking all varieties of lumber into account, Washington exceeds all other states in output, the product in 1907 being nearly 4,000,000,000 feet. The total product of the whole United States in 1907 was about 40,000,000,000 feet, with an estimated value of \$666,000,000.

The wheat crop of the three states was much smaller than the unusual crop of 1907. Prices were somewhat higher, partly owing to the large requirements of California, now hardly to be regarded as a wheat-growing state. The export trade was surrounded by several difficulties, one in particular being the fact that the price for home consumption generally exceeded the export price. The trans-Pacific flour trade has experienced a sharp check. Financial difficulties and the further fall in the value of silver in China, the high protective duties placed on wheat and flour in Japan, and high prices at home, have made shipments nearly impossible for the time being. In oats and barley, as well as wheat, the decline in production as compared with 1907, was, roughly speaking, from twenty-five to forty per cent. In hops there has been another serious falling off in acreage and yield, and the results have been quite unprofitable. Taking Oregon as an example, whereas in 1906 this state produced 160,000 bales, and the United States, as a whole, 365,000 bales, against 137,000 bales in England, in 1908 Oregon only produced 80,000 bales, the United States, as a whole, 200,000 bales, against 291,000 bales, in England.

While the early promise of an unusually large fruit crop was not fully borne out, the crop was very large, although the fruit was much smaller than usual. Financial conditions prevented the smaller canners from packing as much as usual; but prices were low, and in consequence, the large canners prepared enormous stocks to be carried over to next year when necessary. An extensive business in shipping fresh deciduous fruit to the Eastern cities is developing. About 12,000 cars of this class of fruit left California in 1908, and about 30,000 cars of citrus fruits. While the fall in prices was very great indeed, the year has, except to the small canners referred to, been a good one on the whole, and in citrus fruits one of the best on record. We are unable to obtain statistics regarding the planting of fruit trees in Washington and Oregon, but it is being done on a large scale, and these States, already important as producers, are likely to become still more so in certain kinds of fruit. The year has been exceptionally favourable for producers of sugar, both in the Hawaiian Islands and in California. Crops have been larger than in any previous year, and prices have averaged \$78 per ton of 2,000 pounds, against \$70 in 1907. The Hawaiian crop was 521,000 tons in 1908, as compared with 440,000 tons in 1907. The beet root sugar crop in California will be about 91,000 tons, against about 72,000 tons in 1907. The total value of the products taken from the soil of California in 1908 makes the astonishing total of \$388,000,000, against \$360,000,000 in 1907. Of this \$80,000,000 is credited to the forest, and \$55,000,000 to the mine. This leaves \$253,000,000 from the field, orchard, vineyard, dairy, etc., and these are avenues of industry which will annually produce a yield in proportion to the intelligent labour of man and the bounty of nature.

Although 1908 was one of the years in which a large catch in salmon was not expected the catch was larger than in 1907, and the year has been quite satisfactory, packers generally having made money. The market is strong and comparatively bare of stocks—an excellent position for the packers, in view of the large catch due in 1909. The total pack of the whole Pacific Coast from the Columbia River to Alaska, including British Columbia, is estimated at 3,630,000 cases, valued at \$14,000,000.

The yield of petroleum in California has been about 46,000,000 barrels, worth at the well about \$23,000,000, against about 40,000,000 barrels in 1907. The consumption of fuel oil in the state is equivalent to about 4,000,000 tons of coal. The state imported in 1907 883,000 tons of coal, as compared with 1,450,000 tons in 1898. So that if oil had not been discovered in California, and the industries now dependent on it could have been profitably established on the basis of using imported coal, imports of nearly 5,000,000 tons per annum would now be necessary to carry them on.

The trade with Alaska, largely controlled by Seattle, has been less than in previous seasons, partly for financial reasons and partly because of lack of water for mining purposes. The total receipts of gold at the Seattle Assay Office for the nine months ending 31st October were valued at \$17,300,000. These are slightly better results than for 1907.

The financial events of the early part of the last year in the United States have excited too keen attention to demand much comment on our part. During most of the year trade was restricted, not merely as an effect of the panic, but because of the Presidential election. Recently the tendency of trade, as a whole, has been towards improvement, but not to the extent hoped for a month or two ago. The inevitable shrinkage in imports, combined with good exports, has caused the excess of exports, which for the ten months ending 31st October, 1907, had been \$e292,000,000,000, to grow to the very large sum of \$502,000,000. Deposits in New York banks, taking a day early in December as an example, have grown from about \$1,000,000,000 in 1906 and 1907 to \$1,400,000, and cash reserves from \$250,000,000 in 1906 to \$385,000,000 in 1908. One of the most interesting features of the present contraction is that, while the prices of iron, copper, lead, tin and cotton have all fallen sharply to meet the lessened demand, beef, lard, wheat, flour, Indian corn, oats and sugar are all higher than in 1906 and 1907, because of the short supply of food-stuffs throughout the world.

There should be nothing in connection with the business position of the United States so deeply interesting to the European world and to Canada as the possibility of reform in their banking and currency systems. This has been discussed with fluctuating interest during so many years that doubt as to their willingness to grapple with these extremely difficult and complex problems naturally arises. The fact, however, remains that we are at present liable to periodic disturbance of the world's finances to a degree quite unnecessary, because in that great country, notwithstanding its wonderful organization for other industrial purposes, the machinery does not exist for managing the credit transactions of the people without periodical panics. Let us hope that the present Currency Commission will really produce results.

The motion for the adoption of the Report was then put and carried. The proposed revised by-laws of the Bank were read to the meeting and enacted by the shareholders. The usual resolutions expressing the thanks of the shareholders to the President, Vice-President and Directors, and also to the General Manager, Superintendent of Branches and other officers of the Bank were unanimously carried. Upon motion the meeting proceeded to elect Directors for the coming year, and then adjourned.

The scrutineers subsequently reported the following gentlemen to be elected as Directors for the ensuing year: B. E. Walker, C.V.O., L.L.D., Robert Kilgour, Hon. George A. Cox, M. Leggat, James Crathern, John Hoskin, K.C., L.L.D., J. W. Flavell, L.L.D., A. Kingman, Hon. L. Melvin Jones, Frederic Nichols, H. D. Warren, Hon. W. C. Edwards, Z. A. Lash, K.C., E. R. Wood.

At a meeting of the newly elected Board of Directors held subsequently, Mr. B. E. Walker was elected President, and Mr. Robert Kilgour Vice-President.

FIRE AT BRANDON, MAN.

A fire occurred on the 4th inst., in the wholesale grocery firm of Codville Co., Limited. The fire burned for 12 hours, causing a total loss to the following companies:

ON BUILDING.

Union.....	\$5,000	Royal.....	\$5,000
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ON STOCK.

Union.....	\$5,000	Law Union & Crown.....	\$2,000
North Brit. and Mer....	2,100	Royal.....	1,000
Northern.....	3,500	London Assurance... ..	1,500
Atlas.....	7,000	Phoenix of Hartford..	2,000
Scottish U. and N.....	9,000	Hartford.....	2,000
British America.....	2,000	Anglo-American.....	4,000
Liv. & Lon. & Globe....	10,000	North-West Fire.....	2,000
Quebec.....	2,500	Central Canada.....	3,000
N. Y. Underwriters.....	4,500		
Commercial Union.....	2,000		\$65,100

IN THE SIXTY-YEAR ANNIVERSARY number of The Independent of New York, President Darwin P. Kingsley, of the New York Life, wrote interestingly of Pioneering in Life Insurance. Regarding the Armstrong laws of New York State, Mr. Kingsley says: "That the Armstrong Committee was honest will be no defence after our shackles have been taken off and we have developed—as we shall—the full extent and quality of practical usefulness."

DEBENTURES FOR SALE CITY OF OTTAWA

Tenders addressed to "The Chairman Board of Control," and marked "Tender for Debentures," will be received by the Corporation of the City of Ottawa until 12 o'clock, noon, on Thursday, the 28th January 1909, for the purchase of debentures amounting to **\$966,940.90**.

These debentures are all a liability of the City at large, and bear 4 per cent interest, which is payable half-yearly on 1st January and 1st July.

About \$445,000.00 are for 20 years, about \$417,000.00 for 30 years, and about \$105,000.00 for 40 years.

All tenders must be on the official form and must be accompanied with a marked cheque for \$5,000.

Accrued interest will be added to the rate tendered.

The bonds can be made payable in Ottawa, New York or London, at the option of the purchaser, and in denomination to suit.

Delivery will be made at Ottawa by 31 March, 1909.

The highest or any tender not necessarily accepted.

Full particulars, together with further conditions, and official form of tender can be obtained on application to the City Treasurer, Ottawa.

NAPOLEON CHAMPAGNE,

Mayor

Ottawa, 12 December, 1908.

SUGAR.

When next purchasing supplies
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Redpath

The purest and best. To be had in
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Barrels of about 300 lbs. and Bags
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The measure of a company's prosperity is its steady growth, along safe lines, at a moderate outlay for expenses of management.



Fills the Bill in these respects, its operating expenses for many years having been much lower than any of its competitors, while its growth for the past ten years has been abundantly satisfactory in every department of its business.

Year	Income	Assets	Surplus	Business in Force
1897	\$ 819,980	\$ 3,730,777	\$ 218,140	\$ 21,487,181
1907	2,243,570	11,655,410	1,503,719	51,091,848

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— MERGED IN THE —

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Total Funds Exceed - \$86,250,000. Security Unexcelled.

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T. L. MORRISEY, Manager.

FOUNDED 1792
Insurance Company of North America

PHILADELPHIA

CAPITAL, \$3,000,000
ASSETS JANUARY 1, 1908, 11,290,121

ROBERT HAMPSON & SON

General Agents for Canada, MONTREAL.

MONTREAL PARK & ISLAND RAILWAY COMPANY

LACHINE.—From Post Office 20 min. service, 5.40 a.m. to 8.00 p.m., 30 min. service, 8.00 p.m. to midnight. From Lachine 20 min. service, 5.50 a.m. to 8.45 p.m., 30 min. service 8.45 p.m. to 12.45 midnight. SAULT AU RECOLLET. — First car From St. Denis St. 5.20 a.m. From St. Denis and Henderson Station, 20 min. service, 5.40 a.m. to 9.40 a.m.; 40 min. service, 9.40 a.m. to 3.40 p.m.; 20 min. service 5.40 p.m. to 8.20 p.m.; 40 min. service, 8.20 p.m. to 12.20 midnight. Last car from the Sault, 12.40 a.m.; from St. Denis, a.m. Extra car from Chenneville St. to Henderson Station at 2.10 p.m. MOUNTAIN.—From Mount. Royal Avenue, 60 min. service, 5.40 a.m. to 11.40 p.m. From Victoria Avenue, Westmount, 20 min. service, 5.50 a.m. to 11.50 p.m. CARTIERVILLE.—From Snowden's Junction, 40 min. service, 6.00 a.m. to 12.00 p.m. From Cartierville, 40 min service 5.40 a.m. to 11.40 p.m.

A RECORD.

Since its inception, The Canada Life has paid or credited to Policyholders **\$8,089,622.00** more than they paid in.

This a unique record and tells in a striking way of the continuous efficient management of the Company's affairs.

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Canada Life Assurance Co.

... ESTABLISHED 1825. ...

The Standard Life Assurance Company.

OF EDINBURGH, SCOTLAND.

HEAD OFFICE FOR CANADA: MONTREAL.

INVESTED FUNDS	-	\$60,000,000
INVESTMENTS UNDER CANADIAN BRANCH	-	17,000,000
DEPOSITED WITH CANADIAN GOVERNMENT, over	-	6,709,866
ANNUAL REVENUE	. . . . .	7,500,000
BONUS DECLARED,	-	35,000,000

W. H. CLARK KENNEDY, Secretary

D. M. MCGOUN Manager for Canada.

Royal Insurance Company Ltd.

LIFE DEPARTMENT.

"20 PAYMENT LIFE" Policies, with Profits, carry a guarantee that the whole of the Premiums paid will be refunded as a Cash Surrender Value, of the Policy and Profits, at the end of 20 years.

"ENDOWMENT."	Age	Premium	-	Assuring the sum of
	20	\$38.8	-	\$1000 in event of death
	30	\$40.35	-	or the payment of that sum
				in cash at the end of 20 years.

APPLY FOR INFORMATION OR AGENCY.

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FIRE INSURANCE ONLY—ABSOLUTE SECURITY.

WM. MACKAY, Manager.

J. H. LABELLF, Asst. Manager.

The Federal Life Assurance Company

Head Office, - - - Hamilton, Canada.

CAPITAL AND ASSETS	-	\$3,870,472.74
PAID POLICYHOLDERS IN 1907	-	287,268.17
TOTAL ASSURANCE IN FORCE	-	18,965 117.93

MOST DESIRABLE POLICY CONTRACTS.

DAVID DEXTER, President and Managing Director,

H. RUSSEL POPHAM, Manager, Montreal District.



NORTH AMERICAN LIFE ASSURANCE COMPANY.

HOME OFFICE: TORONTO

JOHN L. BLAIKIE, President L. GOLDMAN, A.I.A., P.C.A.—Managing Director

1 9 0 7 .

Total Cash Income.....	\$1,815,097.69
Total Assets.....	8,735,876.08
Net Surplus.....	673,556.04
Payments to policyholders.....	607,347.44

For information respecting Agency openings write, T. G. McCONKEY, Supt. of Agencies

SUN LIFE ASSURANCE OF CANADA COMPANY

AT 31st DECEMBER, 1907.

ASSETS - - - - -	\$26,488,595.15
SURPLUS over all Liabilities, and Capital according to the Hm. Table with 3½ and 3 per cent. Interest - - -	
ASSURANCES IN FORCE - - -	2,046,884.42
	111,135,694.38

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The Manufacturers Life Insurance Co.

has an Excellent Opening for the Right Man, in the NIAGARA PENINSULA.

There is no more prosperous district in Canada, and this Company because of its remarkable progress, its great liberality, its excellent policies, and its special offers to total abstainers is particularly easy to canvass for.

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- - OF CANADA. - -

Head Office:—National Life Chambers TORONTO

ELIAS ROGERS, President.

ALBERT J. RALSTON, F. SPARLING
Managing Director. Secretary

At the close of business on the 31st of December 1907, the total cash assets amounted to	\$862,454.45
The net reserves based on Hm. table of mortality and 3½ per cent. interest	601,855.00
All other liabilities	7,308.50
Surplus	253,210.95
Business in force on 31st December 1907	6,078,067.00
Annual premium income thereon	218,746.52

For agencies in the Province of Quebec, apply to

J. P. ORAM, Provincial Manager.

Branch Office, Imperial Bank Building, Montreal

THE Metropolitan Life INSURANCE CO

Amount of Canadian Securities Deposited with the Dominion Government for the protection of policyholders in Canada over \$4,000,000.00

Significant Facts

This Company's policy-claims paid in 1907 averaged in number one for each 84 seconds of each business day of 8 hours each, and, in amount, 1500 a minute of each business day of 8 hours.

THE DAILY AVERAGE OF THE COMPANY'S BUSINESS DURING 1907.

452 per day in number of claims paid.

6,391 per day in number of Policies placed and paid for.

\$1,239,393.45 per day in New Insurance placed and paid for.

\$162,489.27 per day Payments to Policyholders and addition to Reserve.

\$72,011.34 per day in Increase of

It exceeds by two millions the entire population of the Dominion of Canada. Nearly three hundred thousand Canadians of all classes are policy-holders in the Metropolitan. It has on deposit with the Government of the Dominion of Canada, in Canadian securities, dollar for dollar of its Canadian liabilities. In 1907 it here in Canada wrote as much new insurance as any two other life insurance companies Canadian, English or American.

Home Office: 1 Madison Ave., New York City

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OF CANADA

Incorporated by Special Act of Dominion Parliament.

Capital \$1,000,000

Agents Wanted in Unrepresented Districts

PRESIDENT
HON. J. R. STRATTON
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ASSURANCE COMPANY

is like buying a Government Bond on easy payments—only better—for an Imperial Endowment not only provides for your own future if you live, but affords immediate protection to your heirs if you die. Apply for rates and additional information to

H. LeROY SHAW, Provincial Manager
LIVERPOOL, & LONDON & GLOBE Bldg. Montreal, Que.

ROYAL-VICTORIA

Life Insurance Co.

HEAD OFFICE - - MONTREAL

JULY 1st 1908

Reserve Liability accrued on Policies in Force	\$500,000
Capital and Assets accumulated for Security of Policies in Force	\$1,425,000
Annual New Insurance	\$1,000,000
Insurance in Force	\$5,000,000

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President:
JAMES CRATHERN.

Vice-Presidents:
HON. L. J. FORGET. HON. ROBT. MACKAY.

Medical Director:
T. G. RODDICK, M.D., F.R.C.S.

DAVID MORRICK, GASPARD LE MOINE, CHARLES F. SMITH,
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We offer for sale debentures bearing interest at FIVE per cent per annum payable half-yearly. These debentures offer an absolutely safe and profitable investment, as the purchasers have for security the entire assets of the company.

Capital and Surplus Assets	\$1,340,000.00
Total Assets	\$2,500,000.00

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W. S. DINNICK, Vice President and Managing Director
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Assurance Company

of Canada

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NOW READY - Price \$2.00.

THE CHRONICLE, :: MONTREAL.

Scottish Union and National

Insurance Co of Edinburgh Scotland
established 1824

Capital,	\$30,000,000
Total Assets,	51,464,598
Deposited with Dominion Gov't,	242,720
Invested Assets in Canada,	2,670,046

NORTH AMERICAN DEPT., HARTFORD, CONN., U.S.A.
JAMES H. BREWSTER, Manager

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THE Canadian Railway Accident Insurance Company.

OTTAWA, CANADA.

Authorized Capital	- - - -	\$500,000.00
Subscribed Capital	- - - -	250,000.00

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Liberal contracts, opportunities for advancement, are available to agents of ability and good character. Apply to
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Head Office, : : MONTREAL

CAPITAL, \$500,000

**PERSONAL ACCIDENT,
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 LIABILITY,
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 INSURANCE.**

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\$350,123.00

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icy Contracts, in financial
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INCORPORATED 1833.

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Old Reliably Progressive

Capital, - - - \$ 1,400,000.00

Assets, - - - 2,132,483.39

Losses paid since organization, 31,412,129.22

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New York Underwriters Agency.

Policies secured by Assets - \$18,920,605

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1879 - 1908.

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Head Office, RICHMOND, Que. CAPITAL, \$250,000.

\$60,000 DEPOSITED WITH THE GOVERNMENT FOR SECURITY OF POLICY HOLDERS.

The Company transacts a general Fire Insurance business, which is confined to the Dominion of Canada, no foreign risks written. Insurance in force, \$6,000,000.

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SUBSCRIBED CAPITAL, \$1,000,000.00

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Subscribed Capital, \$10,000,000 Paid-up Capital, \$5,000,000
 Total Assets, over \$30,000,000
 Deposited with Dominion Government, over \$500,000,00

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"Strong as the Strongest"

Capital and Accumulated Funds, . . \$48,946,145
 Head Office for Canada, MONTREAL.

ROBERT W. TYRE, Manager.

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LIFE

MARINE

ACCIDENT

Commercial Union Assurance Co.

LIMITED, OF LONDON, ENG.

Capital Fully Subscribed	:	:	:	:	\$14,750,000
Life Fund (In special trust for Life Policy Holders)	:	:	:	:	17,314,400
Total Annual Income, exceeds	:	:	:	:	21,250,000
Total Funds, exceed	:	:	:	:	86,250,000
Deposit with Dominion Government	:	:	:	:	1,107,640

Head Office Canadian Branch: 91 Notre Dame Street West, Montreal

Applications for Agencies solicited in unrepresented districts:

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J. MCGREGOR, Manager

Canadian Branch

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ESTABLISHED 1824

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ASSETS \$10,000,000

JAMES HAMILTON, Manager

FIRE INSURANCE granted on every description of property at Tariff rates.

LIVE STOCK INSURANCE. This Company has a large Live Stock business in England and elsewhere, and is the FIRST COMPANY, licensed by the FEDERAL GOVERNMENT, to transact Live Stock Insurance in the Dominion.

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Increase in Interest Earnings - 17½ per Cent.

Income Ten Months of 1908 - \$334,932.36

A Company possessing features particularly attractive to insurers and agents.

No better Company to insure in. No better Company to represent.

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D. FASKEN, President.

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Established 1859

Assets	\$557,885.96
Reserve	\$193,071.25
Other Liabilities	20,687.91
		213,759.19
Surplus to Policy-holders	\$344,126.76

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MONTREAL

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ÆTNA INSURANCE Co., of Hartford
BRITISH AMERICA ASSURANCE CO., of Toronto
SUN INSURANCE OFFICE, of London England
HOME INSURANCE CO., of New York

HENRY N. CHAUVIN

GEO. HARLOD BAKER

CHAUVIN & BAKER ADVOCATES

Metropolitan Building, 179 St. James Street

Tel. Main 2194.

MONTREAL

GEORGE DURNFORD

CHARTERED ACCOUNTANT.

Room 58, Canada Life Building.

189 St. James. - - - - - MONTREAL.

Hon. Sir Alexandre Lacoste, K.C.

Kavanagh, Lajoie & Lacoste

ADVOCATES, SOLICITORS, Etc.

Provincial Bank Building, 7 Place d'Armes.

H. J. Kavanagh, K.C.
H. Gerin-Lajoie, K.C.

Paul Lacoste, L.L.B.
Jules Mathieu, L.L.B.

EDWIN HANSON

WILLIAM HANSON

Hanson Brothers

Canada Life Building.

MONTREAL

Investment Brokers

Government, Municipal, Railway and Industrial Bonds
and Securities BOUGHT and SOLD.

Investments suitable for Insurance Companies and
Trust Estates always on hand.

Members Montreal Stock Exchange.

CABLE ADDRESS: HANSON.

**Municipal Debentures Bought
and Sold. Write for quotations.**

G. A. Stimson & Co.

16 King St. West, Toronto

EDWIN D. PEARSON

AGENT

OFFICES:

Adelaide St. East, Toronto

NORTHERN

ASSURANCE CO.

British American Bank Note Co. Ltd.

HEAD OFFICE:
Wellington Street, OTTAWA, Canada

Most modern and complete appliances for the production and protection against counterfeiting of BANKNOTES, BONDS, CHECK CERTIFICATES, POSTAGE and REVENUE STAMPS and all Documents of A Monetary value.

The Work executed by this Company is accepted by the
LONDON, NEW YORK, BOSTON
and other Stock Exchanges.

BRANCH OFFICES:
9 BLEURY STREET, - MONTREAL
TRADERS' BANK BLDG. - TORONTO

IMPERIAL BANK OF CANADA

CAPITAL AUTHORIZED - - - - - \$10,000,000
CAPITAL PAID UP - - - - - 5,000,000
REST - - - - - 5,000,000

DIRECTORS:

D. R. WILKIE, President. HON. ROBERT JAFFRAY, Vice-President
WILLIAM RAMSAY, WM. HAMILTON MERRITT M.D., ELIAS ROGERS,
J. K. OSBORNE, CHAS. COCKSHUTT, PRILEG HOWLAND,
WM. WHITE, CANTHRA MULLOCK, HON. RICHARD TURNER.

BRANCHES IN PROVINCE OF ONTARIO

Amherst-	Fergus	Kenora	North Bay	St. Catharines
burg	Ponihill	Listowel	Ottawa	St. David
Belwood	Fort William	London	Port Arthur	St. Thomas
Bolton	Galt	New Liskeard	Humberstone	Thessalon
Brantford	Hamilton	Niagara Falls	Port Colborne	Toronto
Caledon E	Harrow	Niagara-on-the-Ridge	Welland	
Cobalt	Ingersoll	Lake	S. Ste. Marie	Woodstock
Essex				

BRANCHES IN PROVINCE OF QUEBEC.

MONTREAL, QUEBEC.
BRANCHES IN PROVINCE OF MANITOBA,
Brandon Portage La Prairie Winnipeg

BRANCHES IN PROVINCE OF SASKATCHEWAN.

Balgonie, Broadview, North Battleford, Prince Albert, Regina, Rosthern

BRANCHES IN PROVINCE OF ALBERTA.

Athabaska Landing, Banff, Calgary, Edmonton, Red Deer, Strathcona, Wetaskiwin.

BRANCHES IN PROVINCE OF BRITISH COLUMBIA.
Arrowhead, Cranbrook, Golden, Michel, Nelson, Revelstoke,
Vancouver, Victoria.

Savings Bank Department.

Interest allowed on deposits at current rate from date of deposit.

CREDIT FONCIER F.-C.

30 ST. JAMES STREET

Loans on improved city and farm property. Loans to Municipal, School and Church Corporations.

NO COMMISSION CHARGED

For blank forms of application apply to the Company's offices

30 St. James Street, - MONTREAL.

United Empire Bank of Canada.

Head Office, corner Yonge and Front Sts., Toronto

Conservative investors will find a safe, sound, paying proposition in this New Canadian Bank Stock (issued at par). Allotments will be made to early applicants.

GEORGE P. REID, . . . General Manager

NATIONAL PROVINCIAL PLATE GLASS INSURANCE COMPANY, LIMITED.

Head Office, London, Eng.; Established 1854 Capital fifty thousand pounds sterling. For Agencies at unrepresented points, Province of Ontario, Address J. H. EWART, Chief Agent, No. 18 Wellington Street East, Toronto.

The Royal Trust Co.

107 ST. JAMES ST., MONTREAL

CAPITAL SUBSCRIBED - \$1,000,000

PAID-UP, \$700,000

RESERVE FUND, \$800,000

BOARD OF DIRECTORS:

Right Hon. LORD STRATHCONA & MOUNT ROYAL. G.G.M.G. PRESIDENT.

Hon. SIR GEORGE DRUMMOND, K.C.M.G., VICE-PRESIDENT.

SIR H. MONTAGU ALLAN	C. R. HOSMER	H. V. MEREDITH
R. B. ANGUS	SIR W. C. MACDONALD	DAVID MORRICE
SIR EDWARD CLOUSTON, Bart.	HON. R. MACKAY, A. T. PATTERSON	
E. B. GREENSHIELDS	A. MACNIDER	JAMES ROSS
C. M. HAYS	SIR T. G. SHAUGHNESSY	K.C.V.O.
	SIR WILLIAM C. VAN HORNE, K.C.M.G.	

H. ROBERTSON, Manager

SAFETY DEPOSIT VAULTS:

109 St. James St., Bank of Montreal Building, Montreal

National Trust Co., Limited.

CAPITAL PAID UP - - - - - \$1,000,000
RESERVE - - - - - 500,000

OFFICES: Montreal, Toronto, Winnipeg, Edmonton, Saskatoon.
Authorized to accept and execute Trusts of every description and to act in any of the following capacities:

Trustee, Executor, Administrator, Assignee, Liquidator, Gen. Agent
Montreal Board of Directors:

JAMES CRATHERN, Esq., Director Canadian Bank of Commerce.
H. S. HOLT, Esq., Director Royal Bank.

H. MARLAND MOULSON, Esq., Director the Molson's Bank.

Montreal Offices and Safety Deposit Vaults.

National Trust Building, 153 St. James Street
A. G. ROSS - - - Manager.

The Trust and Loan Co.

OF CANADA

INCORPORATED BY ROYAL CHARTER, A.D. 1846

Capital Subscribed,	\$ 9,733,333
With power to increase to	14,600,000
Paid-up Capital,	1,703,333
Reserve Fund,	1,107,006
Special Reserve Fund	146,000

MONEY TO LOAN ON REAL ESTATE AND SURRENDER VALUES OF LIFE POLICIES.

26 St. James Street, Montreal

Montreal Trust

and

Deposit Company

Acts as General Fiscal Agent for the payment of Bonds, Coupons, Dividends, etc., for Municipalities, Railroads and other Corporations. The capital of the Company stands as ample guarantee of the faithful discharge of such duties.

Head Office, 2 Place d'Armes
MONTREAL.

The Dominion Bank

HEAD OFFICE: TORONTO, CANADA.

Capital Paid up, - - - \$3,980,000
 Reserve Fund and Undivided Profits, \$5,300,000
 Assets, - - - - - \$51,000,000
 Deposits by the Public - - \$37,000,000

DIRECTORS:

F. B. OSLER, M. P., PRESIDENT
 WILMOT D. MATTHEWS, VICE-PRESIDENT
 A. W. AUSTIN R. J. CHRISTIE
 W. R. BROCK JAMES CARRUTHERS
 A. M. NANTON JAMES J. FOY, K.C., M.L.A.
 J. C. EATON.

CLARENCE A. BOGERT, - General Manager

Branches and Agents throughout Canada and the United States.
 Collections made and Remitted for promptly. Drafts Bought and Sold
Commercial and Travellers' Letters of Credit
 issued, available in all parts of the world.

A General Banking Business Transacted.

Montreal Branch: 162 ST. JAMES ST J. H. HORSEY, Manager

CAPITAL PAID-UP RESERVE FUND
\$3,900,000 \$4,390,000

The Royal Bank of Canada

HEAD OFFICE - MONTREAL

93 BRANCHES THROUGHOUT CANADA

11 AGENCIES IN CUBA

San Juan, Porto Rico. Nassau, Bahamas
 New York Agency - 68 William Street

SAVINGS DEPARTMENT In connection with all Branches. Accounts opened with deposits of ONE DOLLAR and upwards. Interest paid, or credited at highest current rates.

Bank of Nova Scotia

INCORPORATED 1832.

CAPITAL RESERVE FUND: \$3,000,000 \$4,400,000

HEAD OFFICE: HALIFAX, N.S.

DIRECTORS.

JOHN V. PAYZANT, President CHARLES ARCHIBALD, Vice-President.
 R. L. Borden G. S. Campbell J. Walter Allison
 Hector McInnes H. C. McLeod
 General Manager's Office, TORONTO, ONT.
 H. C. McLeod, General Manager. D. Waters, Asst. General Manager
 Geo. Sanderson, C. D. Schurman, Inspectors.

80 BRANCHES 80

Branches in every Province of Canada, Newfoundland, Jamaica & Cuba
 UNITED STATES: Boston, Chicago, New York.

Correspondents in every part of the World. Drafts bought and sold
 Foreign and domestic letters of credit issued. Collections on all points

THE HOME BANK

OF CANADA

Head Office - 8 King Street West, Toronto

SIX BRANCHES IN TORONTO.

Alliston Belle River
 Cannington Everett
 Ilderton Lawrence Stn.
 London Melbourne
 St. Thomas Sunderland
 Thorndale Tecumseh
 Walkerville Sandwich.

Winnipeg, Man. Lyleton, Man. Fernie, B. C.

Prompt Attention given to Collections

JAMES MASON, Gen'l Mgr.

The Metropolitan Bank

HEAD OFFICE: TORONTO, ONTARIO.

Capital, - - - - - \$1,000,000.00
 Reserve and Undivided Profits - 1,277,404.49

DIRECTORS

S. J. MOORE, Esq., President. D. E. THOMPSON, Esq., Vice-Pres.
 Sir W. Mortimer Clark,
 Thomas Bradshaw, Esq. John Firstbrook, Esq.
 James Kyrie, Esq.

W. D. ROSS, General Manager.

A GENERAL BANKING BUSINESS TRANSACTED.

EASTERN TOWNSHIPS BANK

CAPITAL \$3,000,000 RESERVE FUND \$2,000,000

HEAD OFFICE - SHERBROOKE, QUE.

With over SIXTY BRANCH OFFICES in the
 PROVINCE OF QUEBEC

We offer Facilities possessed by
NO OTHER BANK IN CANADA
 for

Collections and Banking Business Generally
 in that important Territory

Savings Bank Department at all offices.

BRANCHES IN:
 MANITOBA, ALBERTA and BRITISH COLUMBIA
 CORRESPONDENTS ALL OVER THE WORLD

The Bank of Ottawa

CAPITAL (Authorized) - - \$5,000,000.00

CAPITAL (Fully Paid up) - 3,000,000.00

Rest and Undivided Profits 3,405,991.22

BOARD OF DIRECTORS

DAVID MACLAREN President.

HON. GEO. BRYSON Vice-Pres.

H. N. Bate, J. B. Fraser,

George Hay, Edwin C. Whitney,

H. K. Egan, Denis Murphy,

George H. Perley, M.P.

GEO. BURN, Gen. Manager.

D. M. FINNIE, Ass't Gen. Man.

INSPECTORS:

C. G. PENNOCK. W. DUTHIE.

Sixty-Six Offices in the Dominion of Canada.

Correspondents in every Banking Town in
 Canada, and throughout the world. This Bank
 gives prompt attention to all Banking business,
 entrusted to it

CORRESPONDENCE INVITED.

THE CANADIAN BANK OF COMMERCE

Paid-up Capital - \$10,000,000
Rest - - - - - 6,000,000

HEAD OFFICE: TORONTO

BOARD OF DIRECTORS:

B. F. WALKER, Esq., President	ROBT. KILGOUR, Esq., Vice-Pres.
HON. GEO. A. COX	HON. LYMAN M. JONES
MATTHEW LEGGAT, Esq.	FREDERIC NICHOLLS, Esq.
JAMES CRATHERN, Esq.	H. D. WARREN, Esq.
JOHN HOSKIN, Esq., K.C., LL.D.	HON. W. C. EDWARDS
J. W. FLAYELLE, Esq.	Z. A. LASH, Esq., K.C.
A. KINGMAN, Esq.	E. R. WOOD, Esq.

ALEXANDER LAIRD, General Manager
A. H. IRELAND, Superintendent of Branches

Branches in every Province of Canada and in the United States and England.

Montreal Office: H. B. Walker, Manager.

London (England) Office: 2 Lombard Street, E.C.
 S. Cameron Alexander, } Managers.
 H. V. F. Jones, }

New York Office:—16 Exchange Place
 WM. Gray, } Agents.
 C. D. Mackintosh, }

This Bank transacts every description of Banking Business, including the issue of Letters of Credit and Drafts on Foreign Countries, and will negotiate or receive for collection Bills on any place where there is a Bank or Banker.

Merchants' Bank of Canada

Capital Paid up..... \$6,000,000
Reserve Fund and Undivided Profits \$4,400,997
HEAD OFFICE, MONTREAL

Board of Directors
 President, Sir H. Montagu Allen. Vice-President, Jonathan Hodgson, Esq.
 Directors—Thos. Long, Esq. F. Orr Lewis, Esq. C. F. Smith, Esq.
 H. A. Allan, Esq. C. M. Hays, Esq. Alex. Barnet, Esq. Bryce J. Allan, Esq.

E. F. Hedges, General Manager.
T. E. MERRITT, Supt. of Branches and Chief Inspector.

Assistant Inspectors
W. E. BUTLER J. J. GALLOWAY
R. SHAW M. J. MANNING

Branches and Agencies

Acton	Hesper	Ingersoll	Mitchell	St. Thomas
Alvinston	Essexville	Kincardine	Napanee	Tara
Athens	Elgin	Kingston	Oakville	Thamesville
Belleville	Flora	Lancaster	Orillia	Tilbury
Berlin	Finch	Leedsdowne	Ottawa	Toronto
Bothwell	Fort William	Leamington	Owen Sound	Toronto "Parliament St.
Brampton	Galt	Little Current	Parkdale	Walkerton
Chatham	Gananoque	London	Perth	Watford
Chatsworth	Georgetown	Lucan	Prescott	Westport
Chesley	Glencoe	Lyndhurst	Preston	West Lorne
Creemore	Gore Bay	Markdale	Renfrew	Wheatley
Delta	Granston	Meaford	Stratford	Williamstown
Hanover	Hamilton	Midway	St. George	Windsor
		Quebec		Yarker
Montreal (Head Office)	St. James Street	Beauharnois	Shawville	
"	1255 St. Catherine Street East	Lachute	Sherbrooke	
"	320 St. Catherine Street West	Quebec	St. Jerome	
"	1386 St. Lawrence Boulevard,	Rigaud	" St. Saviour	St. Johns
	Town of St. Louis	Ste. Agathe des Monts	St. Jovite	
		Manitoba		
Brandon	Griswold	Napinka	Portage la Prairie	Souris
Carberry	Macgregor	Neepawa	Russell	Winnipeg
Gladstone	Morris	Oak Lake		
		Alberta		
Calgary	Edmonton	Lethbridge	Sedgewick	Vegreville
Carstairs	Leduc	Medicine Hat	Stettler	Wetaskiwin
Daysland		Olds	Tofield	Wainwright
		Red Deer	Okotoks	
		Saskatchewan		
Arcoff	Gainsborough	Oxbow	Vancouver	
Carnduff	Maple Creek	Melville	Victoria	
		Whitehead		

in United States—New York Agency, 69 Wall St.
Bankers in Great Britain—The Royal Bank of Scotland.

THE MOLSONS BANK

Incorporated by Act of Parliament, 1855.

Capital Paid Up \$5,500,000
Reserve Fund 3,500,000

BOARD OF DIRECTORS,

WM. MOLSON MACPHERSON, President.	S. H. EWING, Vice-President
W. M. RAMSAY,	J. P. CLEGGHORN
H. MARLAND MOLSON,	WM. C. MCINTYRE
Geo. E. DRUMMOND.	

JAMES ELLIOT, General Manager.

A. D. DURNFORD, Chief Inspector and Superintendent of Branches.
W. H. DRAPER, Inspector. **W. W. L. CHIPMAN, J. H. CAMPBELL, Asst. Inspectors**
H. A. HARRIS, Assistant Inspector

BRANCHES:

ALBERTA	ONTARIO—Cont.	ONTARIO—Cont.	QUEBEC—Cont.
Calgary.	Edmonton.	Lethbridge	British Columbia
Revelstoke	Vancouver.	Winnipeg.	Alvinston
MANITOBA	ONTARIO		Amherstburg.
Winnipeg.	Alvinston		Aylmer
	Amherstburg.		Brockville.
	Chesterville.		Clinton
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