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JAMES J. SALMOND, President and General Manager — *ALBERT E. JENNINGS, Assistant General Manager*

W. A. McKAGUE, Editor — *JOSEPH BLACK, Secretary*

Telephone Main 7404; Branch Exchange connecting all Departments

Cable Address: "Montimes, Toronto"

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INDEX TO VOLUME 62

January to June, 1919

A

PAGE

Abitibi Pulp and Paper Co., Mar. 28 50
Acceptance in U.S. Trade, June 20 36
Accepted Cheque, Liability for, April 18 22
Acknowledgment of Bank Deposit, May 23 14
Activity in Real Estate Anticipated, June 20 30
Actuarial Society of America, May 30 18
Adanac Mining Co., February 21 50
Adequate Banking System, Our (Annual) 40
Advantages of the Part-Timer, April 4 22c
Aetna Life Insurance Co., Feb. 28 48, 49
Agricultural Conditions, Dominion, May 16 24
Agricultural Organizations in the West 88
Agriculture in the West, Jan. 17 24
Air Traffic, The Control of, May 16 10
Alberta Act Regarding Sub-Divisions, June 27 14
Alberta Agriculture in 1918 (Annual) 268
Alberta Bonds, January 17 50
Alberta Budget Speech, March 28 18
Alberta Farmers on Finance, January 31 7
Alberta Life Insurance, May 23 30
Alberta Mortgage and Loan Companies' Association, May 9 32
Alberta Municipal Hail Insurance Scheme, April 4 28
Alberta Municipalities, Relief for, January 31 46
Alberta Telephone Finances, Change in, April 18 12
Alberta Telephones in 1918, March 14 22
Alberta Will Assist Municipalities, June 6 38
Alberta Workmen's Compensation Board, May 2 14
Amalgamations, Bank, Grounds for, March 14 5
Amalgamations, Canadian Bank (Annual) 58
Amendments to Taxation Act, April 11 18
America, Actuarial Society of, May 30 18
Ames-Holden-McCready, Ltd., June 27 52
Amherstburg, Ont., March 14 12
Analysis of 70 Leading Stock Issues (Annual) 107
Ancaster Township, Ont., March 14 42
Ancaster Township, Ont., May 30 48
Annual Meetings:—
Aetna Life, February 28 48, 49
Atlas Assurance, May 23 8, 37
Bank of Commerce, January 17 8, 26
Bank of Hamilton, March 21 16
Bank of Hamilton Meeting, April 25 52

PAGE

Bank of Nova Scotia, January 24 27
Bank of Toronto, January 10 8, 26
Bell Telephone, March 6 14
Brandram-Henderson, March 14 26, 30
British America Assurance February 28 22
British America Assurance March 6 24, 30
British Columbia Electric Railway, April 25 30
British Columbia Permanent Loan, February 21 12, 49
British Colonial Fire, March 6 28
Burt Co., March 21 16
Caledonia Insurance, May 30 14, 35
Canada Landed and National Investment, February 21 14
Canada Life, January 10 8, 25
Canada National Fire, February 8 36, 48
Canada Permanent Mortgage, January 31 52
Canada Permanent Mortgage, February 14 10, 28
Canada Trust, February 14 33, 38
Canadian Fire, February 28 48
Canadian General Electric, March 28 8, 29
Canadian Guaranty Trust, February 28 34, 40
Canadian Pacific, March 28 26
Capital Trust, February 14 12
Central Canada Loan and Savings, January 10 12
City Dairy, March 6 12
Confederation Life, January 31 29, 32
Continental Life, January 31 46
Crown Life, January 31 52
Crown Trust, February 28 48
Dominion Bank, January 31 16, 48
Dominion Fire, February 28 26, 27
Dominion Life, February 14 10, 30
Dominion Savings and Investment, February 28 14, 55
Eagle, Star and British Dominions, May 30 32, 40
Eastern Trust, March 6 8
Employers' Liability, April 25 7, 25
Excelsior Life, January 24 37
Glen Falls, March 14 26, 32
Great-West Life, April 11 25
Great-West Life, February 7 12, 27
Guaranty Trust, January 24 25
Guaranty Trust, March 14 31, 32
Guelph and Ontario Investment and Savings, March 14 28, 32
Guelph Trust, March 14 26, 29
Hamilton Bank, April 4 24, 25
Hamilton Provident and Loan, March 6 26, 29
Hamilton Provident and Loan, February 21 34
Home Bank, June 27 25, 46
Home Investment and Savings Association, February 7 12, 29
Huron and Erie Mortgage February 14 30, 32

PAGE

Huron and Erie Mortgage January 31 50
Imperial Bank, May 30 26
Imperial Bank, May 23 8
Imperial Guarantee and Accident, January 24 42
Imperial Life, January 10 16
International Loan, April 4 28, 45
La Banque Nationale, May 30 28
La Banque Nationale, June 20 26, 34
London Assurance, June 6 8, 30c
London and Canadian Loan, February 21 7, 27
London and Lancashire Fire, May 23 7, 25
London and Lancashire Life General, June 20 25
London Life, February 14 25, 40
London Mutual Fire, Feb. 28 7, 35
Manufacturers Life, Feb. 14 16, 49
Merchants Bank, June 6 12, 30d
Merchants Bank, May 30 14
Merchants Fire, January 17 36, 40
Mercantile Trust, February 21 38
Miniota Farmers Mutual, March 21 18, 37
Monarch Life, February 14 12, 26
Montreal City and District Savings Bank, February 21 12, 28
Montreal Loan and Mortgage, February 21 6
Mortgage Corporation of Nova Scotia, February 14 37, 40
Mount Royal, February 21 14
Mutual Life, February 7 16, 33
National Life, January 17 10
National Trust, February 21 12
National Trust, February 28 28, 34
North American Life, Feb. 7 14
North American Life, Jan. 31 8, 27
Northern Life, March 6 26, 28
North West Fire, February 21 6, 26
Northwestern Life, March 6 6, 41
Nova Scotia Steel and Coal, April 4 26
Ocean Accident and Guarantee May 23 20, 27
Occidental Fire, March 14 6, 25
Ontario Hydro, March 6 38
Ontario Loan and Debenture, February 14 31, 34
Ottawa Light, Heat and Power February 28 16, 38
Pacific Coast Fire, April 4 12
Penman's Ltd., March 6 12
Portage La Prairie Farmers' Mutual, February 21 30
Railway Passenger's, May 30 24, 25
Real Estate Loan Co. Feb. 21 6
Royal Bank, January 17 38
Royal Exchange, May 9 20
Saskatchewan Life, March 6 6, 41
Saskatchewan Mortgage and Trust, March 6 32
Saskatchewan Mutual, May 2 8
Security Life, February 21 31, 52
Sovereign Life, February 14 8, 35
Standard Bank, February 21 41
Standard Bank, February 28 33, 50
Sterling Bank, May 23 25

PAGE

Standard Reliance, March 6..27, 28
Standard Trusts, February 7.. 6, 26
Sterling Trusts, February 28.16, 54
Sun Life, February 14 30
Sun Life, March 6 14
Sun Life, March 28 25
Travellers' Life, February 21 26
Toronto General Trusts, February 7 .....12, 34
Toronto Mortgage, Feb. 14...35, 39
Toronto Railway, Feb. 7.....12, 30
Toronto Savings and Loan, February 28 44
Trust and Loan, June 20.... 24
Trusts and Guarantee, Feb. 7.10, 32
Union Trust, February 14 ..26, 40
Union Bank, January 17 34
Waterloo County Loan and Savings, February 28 26
Western Assurance, Feb. 27.. 7
Western Assurance, March 6.31, 32
Western Life, February 7....25, 55
Western Life, February 21 .. 6, 30
Western Trust, April 11..... 10
Weyburn Security Bank, April 4 43
Woods Manufacturing, Feb. 28 8, 49
Annual Reports—See "Annual Meetings"
April Bank Statement, May 30 .. 32
April Bond Sales, May 2..... 38
April Fire Losses, May 2 16
Arc Prices Coming Down, May 23 10
Asbestos Corporation, February 14. 58
Ask Power to Buy Utilities, Jan. 17 14
Assessment on Improvements, Increase, February 7 24
Assessments, Ontario, in 1917, April 25 14
Assessment, Partial Exemption from April 18 9
Atlantic Sugar Refineries, Ltd., June 27 50
Atlas Assurance Co., Ltd., May 23 8, 37
Automobile Underwriters' Association, March 14 16

B

B. C., Want Division of, March 6 .. 36
Balance, Canada's Trade (Annual) 66
Bank Advances to Municipalities (Annual) 39
Bank Amalgamations, Grounds for, March 14 5
Bank Amalgamations to Date, Canadian (Annual) 58
Bank Branches, Where They are Situated (Annual) 68
Banks, Canadian, as Reserve Institutions, March 28 10
Bank Clearings (Annual) 52
Bank Clearings, Weekly, See every issue
Bank Credits, Controlling, June 6 .. 16
Bank Deposit, Acknowledgment of, May 23 14
Bank Deposits Drop in November, January 10 18
Bank Deposits Recover in December, January 31 18
Bank Expansion, Internal and External, January 17 9
Bank Links up With Great Britain, April 18 8
Bank of Commerce, January 17 .. 8, 26
Bank of Hamilton, March 21 16
Bank of Hamilton Meeting, April 25 52
Bank of Hamilton Issue, February 7 14
Bank of Hamilton Issue, February 28 57
Bank of Montreal, May 23 14
Bank of Nova Scotia, January 24 27
Bank of Nova Scotia Takes Fourth Place, January 24 5
Bank of Toronto, January 10 ... 8, 26
Bank Statement, November, Jan. 10 18
Bank Statement, December, Jan. 31 18
Bank Statement, January, March 6 18

PAGE

Bank Statement, February, April 4 32
Bank Statement, March, May 2 .. 5
Bank Statement, April, May 30 .. 32
Bank Statement, Advance May, June 27 8
Bankers Before Law Amendments Committee, March 6 38
Bankers' Bond Company, New Executive for, January 10 38
Bankers' Trust Company opens In Montreal, May 2 10
Banking Results in 1918, February 28 5
Banking and Fire Insurance, April 11 42
Banks Able to Finance Countries Needs, February 14 22
Banks and the Borrowers, The, June 20 18
Banks In Bond Business, June 13 24
Barrett Co., April 25 50
Barton Township, Ont., May 23.... 48
Barton Township, Ont., June 6..... 48
Beaver Consolidated Mines, Ltd., April 18 14
Bell Telephone Case Resumed, January 17 16
Bell Telephone Co., March 6 ... 14
Bill of Lading Attached, With, June 6 18
Black Lake Asbestos and Chrome Co., March 14..... 50
Blue Sky Legislation, February 14 9
Blue Sky Legislation Postponed, Ontario, April 4 16
Board of Trade Work, Planning, January 24 32
Bond Business, Banks in, June 13.. 24
Bond Dealers' Convention, Jan. 31.. 12
Bond Dealers Discuss Financial Topics, January 31 12
Bondholders, What Will They Say, May 23 10
Bond Investments and Life Insurance (Annual) 182
Bond Issue, New British, January 31 14
Bond Market in 1918, January 10.. 32
Bond Review and Outlook (Annual) 160
Bond Sale, Private, Still Possible, March 28 22
Bond Sales 46, 50
Bond Sales in 1918 (Annual) ... 48
Bond Sales in United States (Annual) 49
Bond Sales, January, February 7... 54
Bond Sales, February, March 6..... 44
Bond Sales, March, April 4..... 42
Bond Sales, April, May 2..... 38
Bond Sales, May, June 6 50
Borrowers, Banks and the, June 20 18
Brandram-Henderson Bond Issue, March 21 16
Brandram-Henderson, Ltd., March 14 .....26, 30
Brompton Pulp and Paper Co., January 24 46
Bridgewater, N.S., March 21..... 38
Britain, Our Relations With, May 9 9
British-America Assurance Co., February 28 22
British America Assurance Co., March 6 .....24, 30
British American Bond Corporation, June 27 14
British Bond Issue, New, January 31 14
British Columbia Bond Issue, Mar. 6 44
British Columbia Debentures for Sale, February 21 49
British Columbia Electric Railway Co., April 18 16
British Columbia Electric Railway, April 25 30
British Columbia Estimates Heavy, March 21 26
British Columbia Fishing and Packing Co., March 14..... 50

PAGE

British Columbia to Have Surplus, February 21 38
British Columbia in 1918 (Annual) 234
British Columbia Insurance in 1918, May 30 38
British Columbia Land Settlement Plan, February 21 34
British Columbia Permanent Loan Co., February 21 .....12, 49
British Columbia Plans Issue, Jan. 17 50
British Columbia Premier Defends Finances, April 11 18
British Columbia Tax Commission, April 4 5
British Columbia Timber Resources (Annual) 226
British Columbia's Financial Programme, May 23 20
British Columbia's New Municipal Act, February 28 6
British Colonial Fire Insurance Co., March 6 28
British Fire Insurance is Preeminent (Annual) 178
British Forgings Co., June 13..... 46
British Industries Fair, May 30 .. 24
British Insurance Scheme Profitable, May 9 25
British Trade Connections, Feb. 7 9
Brockville, Ont., February 14 50
"Bucket Shops," Gaming and Gain Brokers (Annual) 82
Budget Debate, Closing of the, June 20 9
Budget Speech, Alberta, March 28.. 18
Budget Speech, Finance Minister's, June 6 26
Budget Speech Next Week, May 30 9
Budget Speech, The, June 13 9
Building Activity in Sight, May 23 22
Building Permits in 1918 (Annual) 56
Burlington, Ont., March 6..... 42
Burt Co., Ltd., F. N., March 21 .. 16
Business Education for Canada, Professional, May 23 5
Business Life Insurance (Annual) 210
'Business Tax,' The Toronto, June 6 20

C

Caledonia Insurance Co., May 30..14, 35
Calendar Revision, April 25 10
Calgary, Alta., April 25..... 42
Calgary Petroleum Products, Ltd., May 16 42
Calgary Street Railway, February 7 58
Calgary Treasury Notes, May 30... 56
Canada and the United States (Annual) 156
Canada and the West Indies (Annual) 80
Canada as a Going Concern, Feb- 14 46
Canada Cement Co., March 14..... 50
Canada Cement Co., March 21..... 46
Canada Co., The, May 2..... 32
Canada Foundries and Forgings Co., February 28 60
Canada in Strong Financial Position, February 21 24
Canada Landed and National Investment Co., February 21 14
Canada Life Has Successful Year, January 10 ..... 8, 25
Canada National Fire Insurance Co., February 28 .....36, 48
Canada Northwest Land Co., Mar. 28 50
Canada Permanent Mortgage Corpation, January 31 52
Canada Permanent Mortgage Corporation, February 14 ....10, 28
Canada Steamships Lines, February 28 58
Canada Steamship Lines, Ltd., March 6 50
Canada Trust Co., February 14..33, 38

PAGE

Canadian Bank Amalgamations (Annual) 58
Canadian Bank Clearing Houses (Annual) 68
Canadian Banking in 1918, Review of (Annual) 33
Canadian Banks and the Western Farmer, February 21 10
Canadian Banks as Reserve Institutions, March 28 10
Canadian Car and Foundry Co., Ltd., February 7 58
Canadian Car and Foundry Co., May 2 30
Canadian Chamber of Commerce Proposed, June 20 5
Canadian Consolidated Felt Co., May 2 32
Canadian Consolidated Rubber Co., April 25 50
Canadian Converters Co., June 13 46
Canadian Converters Co., Ltd., June 20 46
Canadian Cottons, Ltd., May 16 .. 42
Canadian Financial Institutions, March 21 16
Canadian Fire Insurance Co., February 28 48
Canadian Fire Insurance in 1918, January 17 5
Canadian General Electric Co., March 28 ..... 8, 29
Canadian Government, Expansion of (Annual) 23
Canadian Guaranty Trust Co., February 28 .....34, 40
Canadian Life Insurance in 1918, May 16 5
Canadian Life Insurance Laws Included, April 4 20
Canadian Lumber, Good Market in Britain for, May 9 45
Canadian Manufacturers Annual Convention, June 13 5
Canadian Manufacturing, United States Investments in, May 9 .. 18
Canadian National Education (Annual) 85
Canadian Northern Equipment Trust Certificates, January 24 . 8
Canadian Northern Railway Certificates, May 16 2
Canadian Pacific Construction Scheme, January 31 24
Canadian Pacific Earns Dividend, March 28 26
Canadian Pulp and Paper Exports, May 16 2
Canadian Railroad Earnings (Annual) 270
Canadian Railways and the National Debt, May 2 18
Canadian Securities in London (Annual) 39
Canadian Securities in the United Kingdom, February 28 10
Canadian Tariff, Should it Be Revised Now? February 21 18
Canadian Trade With China (Annual) 101
Canadian Trade with the U.S., April 18 26
Canadian Westinghouse, Ltd., April 11 46
Canada's 1918 Victory Loan (Annual) 114
Canada's Borrowing in English Market (Annual) 152
Canada's Export Machinery, June 6 5
Canada's Financial Future (Annual) 21
Canada's Mineral Output, March 21 14
Canada's Place in Reconstruction (Annual) 116
Canada's Premiers Write of the Outlook (Annual) 13
Canada's Relations With United States, June 20 14

PAGE

Canada's Resources Overestimated, February 28 18
Canada's Share in the Indemnity, March 6 10
Canada's Trade Balance (Annual) 66
Canada's War Savings Stamps, January 17 42
Capital, Merchants Bank to Increase, April 4 14
Capital Trust Corporation, February 14 12
Carleton County, Ont., February 14. 50
Causing Fires to be Criminal, February 28 14
Central Canada Loan and Savings Co., January 10 12
Chamber of Commerce Proposed, Canadian, June 20 5
Changes in Mortgage Loan Conditions (Annual) 115
Chartered Trust and Guarantee Trust to Merge, June 27 12
Cheque, Liability for Accepted, April 18 22
Cheque, Payment by Bank (Annual) 60
Cheque, Postdated (Annual) 60
Cheque, Sending for Collection Direct, April 25 32
Chicoutimi Pulp Co., May 16 ... 42
Circulation, Gold and, April 25 .. 16
City Dairy Profits Increase, March 6 12
City Finance and City Prosperity, February 14 42
Civic Industrial Enterprise, May 16 10
Clarke Bros., Bond Issue, June 13 26
"Clean up" Week in Saskatchewan, A, May 2 28
Clearing House, The Canadian Bank (Annual) 64
Clearing Houses, Canadian Bank (Annual) 68
Clearings, Bank (Annual) 52
Clifton Hotel Bonds Offered, June 13 40
Clifton Hotel Issue, June 6..... 48
Closing of the Budget Debate, June 20 9
Coast Prosperous, Vancouver and, May 16 18
Coal Mining in Alberta During 1918 (Annual) 238
Cobalt Ore Shipments (Annual) .. 264
Commercial Balance Sheet, Canada's (Annual) 168
Commercial Failures in Canada, 1918, March 28 46
Commercial Finance Corporation Limited, May 2 16
Commission on Industrial Relations, April 18 9
Commodities in April, Index Number, June 13 34
Community and Industry, The, March 28 9
Company Law, Revise Quebec, March 6 16
Completing the Railway Programme, March 21 10
Compensation Act Amended, Nova Scotia, May 23 24
Compensation Act, Amendments to, April 11 7
Compositplot of Canadian Conditions (Annual) 44
Compulsory Health Insurance Opposed, June 13 10
Confederation Life Association, January 31 .....29, 32
Coniagas Mining Co., January 10 46
Conservation and the War (Annual) 92
Construction Scheme, Canadian Pacific, January 31 24
Construction and Reconstruction, April 4 9
Consolidated Mining and Smelting Co., January 10 46

PAGE

Consolidated Mining and Smelting Co., January 31 50
Consolidated Mining and Smelting Co., February 7 58
Consolidated Mining and Smelting Co., February 21 50
Consumer and Producer, March 21 9
Continental Life Insurance Co., January 31 46
Contrast in Financial Conditions, January 31 34
Control of Air Traffic, The, May 16 10
Control of Industry, The, March 21 10
Co-operation, Practical Results of (Annual) 194
Co-operative Enterprise, January 31 10
Corporate Administration of Estates, February 7 10
Cost of Living Committee, The, June 6 9
Cost of Living Committee Starts Work, June 13 42
Could Joint Stock Farming Succeed? March 21 30
Course of Current Loans (Annual) 41
Creameries and Cheese Factories, Produce of, January 10 30
Credit and the Price Problems (Annual) 70
Credit for Transportation Cost, January 10 9
Credits Not Approved, Government, June 6 10
Criminal Law To Aid Fire Prevention, April 11 24
Crop Outlook in Alberta, June 6.. 7
Crop Outlook in West, June 20 .. 6
Crop Outlook is Fair, June 27 18
Crop Outlook, Saskatchewan, April 25 28
Crown Life Insurance Co., January 31 52
Crown Trust Co., February 28.. 48
Crude Petroleum and Its Products (Annual) 233
Current Loans of Banks at Record Level, May 2 5
Current Loans in Canada (Annual) 41

D

Damages and Liability Insurance (Annual) 192
Dalhousie Bonds, February 14..... 52
Dandurand Building Co., Bonds, June 13 40
Deaths Caused by Violating the Law (Annual) 180
December Bank Statement, Jan. 31 18
December Fire Losses, January 10 14
December Municipal Bond Sales, January 10 27
Defiance Packing Co., June 13 .. 46
Democratic Control of Industry, May 16 24
Department of Industry, British Columbia's, June 27 10
Depositors, Protection to, Feb. 21 22
Depression, Prosperity or, Jan. 10 5
Disabled Men, Insurance For, January 31 10
Dividends and Bonuses of Ontario Mining Companies (Annual) .. 120
Dollar Exchange Has Expanded, April 11 14
Dome Mines Ltd., March 14 50
Dome Mines Co., May 2 32
Dominion Agricultural Conditions, May 16 24
Dominion Bank Had Good Year, January 24 8
Dominion Bank, January 31 ....16, 48
Dominion Bank President Optomistic, January 31 16
Dominion Bridge Co., January 17 58
Dominion Canners, Ltd., March 14 50
Dominion Canners, Ltd., May 2 .. 30
Dominion Commission on Industrial Relations, May 9 14

PAGE

Dominion Commission on Industrial Relations, May 23 12
Dominion Crop Outlook, June 13 28
Dominion Expenditure Plans, Mar. 6 40
Dominion Farm Land Values, March 21 14
Dominion Fire Insurance Co., February 28 .....26, 27
Dominion Fire Prevention Association, May 16 44
Dominion Fire Prevention Plans, March 28 7
Dominion Foundries and Steel Co., April 4 46
Dominion Housing Loan, Feb. 14 7
Dominion Industrial Commission, June 13 10
Dominion Insurance Changes (Annual) 175
Dominion Issue Possible in United States, January 17 48
Dominion Life Assurance Co., February 14 .....10, 30
Dominion Linens, Ltd., April 18 .. 16
Dominion Mortgage and Inv. Association, April 4 18
Dominion Permanent Decision, February 14 22
Dominion Permanent Loan Appeal, June 27 22
Dominion Power and Transmission Co., February 21 50
Dominion Savings and Investment Society, February 28 .....14, 55
Dominion Steel Earnings Decreased, June 13 32
Dominion Textile Co., May 30 ... 54
Dominion Taxation, Increase Necessary, March 28 14
Drummondville, Que., May 16..... 34

E

Eagle, Star and British Dominions May 30 .....32, 40
Earlier Tax Collection Desirable, February 14 16
East Flanders Township, Ont., May 16 34
Eastern Car Co., April 4 46
Eastern Theatres, Ltd., May 30 .. 54
Eastern Trust Co., March 6 8
Economic Aspects of the Peace Conference, February 21 9
Economic Efficiency and Thrift, April 11 9
Edmonton, Alta., February 7 50
Edmonton, Alta., March 6 42
Edmonton, Alta., June 13..... 38
Edmonton Bond Sale, February 14 52
Edmonton Brokers Announce Enlargement, January 24 38
Edmonton Civic Utilities (Annual) 148
Edmonton Finances, February 7 .. 7
Edmonton Will Borrow over One Milliom, January 31 30
Education for Canada, Professional Business, May 23 5
Effect of Low Money Value, May 16 10
Electric Railways of Canada (Annual) 106
Employers' Liability Assur. Corp., Ltd., April 25 ..... 7, 25
Employment Conditions Not Serious, May 30 10
Employment Continues to Show Increase, June 27 12
Enterprise, Co-operative, January 31 10
Equalizing Production and Consumption, May 23 26
Essex County, Ont., January 24 38
Estates, Corporate Administration of, February 7 10
Estimates, Ontario, Greatly Increased, March 14 18

PAGE

Estimates, Supplementary $19,000,000, ...
Excelsior Life Insurance Co., January 24 37
Exchange has expanded, Dollar, April 11 14
Exchange Quotations, Record of (Annual) 42
Exchange Rates in 1918, Feb. 28 46
Exchange Situation, The Foreign, April 18 18
Exorbitant Shipbuilding Costs, January 31 10
Expansion of Canadian Government (Annual) 23
Expenditure, Manitoba's Plans for, February 28 20
Express Companies Case Considered, January 10 36
Express Companies, Temporary Relief for, January 24 26

F

Fairbanks-Morse Co., Ltd., April 4 46
Farm Land Values, Dominion, March 21 14
Farm Loan Policy Criticized, February 28 44
Farm Loans and Rural Credits, January 24 7
Farmer's Credit, Irrigation Strengthens, June 6 20
Farmers on Finance, Alberta, January 31 7
Fatal Industrial Accidents in 1918 (Annual) 184
February Bank Statement, April 4 32
February Bond Sales, March 6 ... 44
February Fire Losses, March 6 .. 52
Federal and Provincial Finance (Annual) 108
Fidelity Bonding of Employees (Annual) 36
Finance, Alberta Farmers on, January 31 7
Finance Minister's Budget Speech. June 6 26
Finance, Simple and Complex, January 10 9
Finances, British Columbia Premier Defends, April 11 18
Finances of Western Canadian Cities (Annual) 103
Financial Advertising, Commanding Future of (Annual) 96
Financial Conditions, Contrast in, January 31 34
Financial Development, Recent, January 17 9
Financial Event, An Outstanding, May 2 10
Financial Factor in Reconstruction, A, May 2 10
Financial Outlook, The, April 18 10
Financial Outlook Uncertain, Feb. 7 16
Financial Values, Comparative Table of (Annual) 87
Financing After-the-War Industry (Annual) 75
Financing Canadian Industry and Agriculture, March 14 10
Financing Development of Mines, April 11 10
Financial Future, Canada's (Annual) 21
Financing Not Satisfactory, Municipal, April 18 7
Finding the Immigrant a Job (Annual) 231
Fitzroy Township, Ont., April 4 .. 38
Fixed Wheat Price Asked, Feb. 28 42
Fixed Wheat Price, May Demand, February 14 22
Fires, Causing, to be Criminal, February 28 14
Fire Department Organization, March 21 24

PAGE

Fire Insurance and the Public, May 9 10
Fire Insurance, Banking and, April 11 42
Fire Insurance Business, Increase in, April 11 5
Fire Insurance Changes Probable, January 10 12
Fire Insurance in 1918, Canadian, January 17 5
Fire Insurance, Statutory Conditions of, February 7 24
Fire Insurance Transacted in Canada (Annual) 186
Fire Insurance Transacted in Canada (Annual) 186
Fire Losses (Annual) 56
Fire Losses (Annual) 56
Fire Losses for 1918 (Annual) ... 56
Fire Losses for 1918 (Annual) ... 56
Fire Losses, December, January 10 14
Fire Losses, January, February 7 20
Fire Losses, February, March 6 .. 52
Fire Losses, March, April 4 14
Fire Losses, April, May 2 16
Fire Losses, May, June 6 22
Fire Losses, Manitoba Will Report, March 6 36
Fire Prevention (Annual) 208
Fire Prevention Association, Dominion, May 16 44
Fire Prevention, Criminal Law to Aid, April 11 24
Fire Prevention in Rural Municipalities, March 6 24
Fire Prevention Legislation Required (Annual) 176
Fire Prevention Now National Scheme, February 28 12
Fire Prevention Plans, Dominion, March 28 7
Fire Protection Convention, National, May 9 5
Fire Protection, Terminology of, April 25 6
Fire Underwriters' Association Vindicted, March 14 34
Fire Waste is Increasing (Annual) 186
Flax Spinners, Ltd., Bond Issue, June 6 12
Food Commodities in Canada, January 10 34
Food Commodities in Canada, February 28 24
Food Supplies in Storage, Small, June 27 20
Fooling the Insurance Companies, March 6 10
Foreign Countries, Canada's Trade With (Annual) 168
Foreign Exchange Situation, The, April 18 18
Foreign Trade and the National Debt, February 28 10
Foreign Trade for Canada (Annual) 102
Foreign Trade, Shippings Share in, June 20 30
Forestry in Reconstruction, Claim of, February 7 5
France's Financial Position, Feb. 28 10
Fraser Companies Bond Issue, April 4 40
Fraternal Insurance Legislation, May 9 26
Fraternal Insurance Restrictions, New, April 11 16
Free List, Tariff and the, April 25 10
French Forestry Methods (Annual) 256
Fuel Control in Canada (Annual) 250
Furber Lumber Co., May 2 30
Future Price Levels, June 20 34
Future of Security Prices (Annual) 188
Future of Security Prices (Annual) 188
Future of Soviet Rule, The, April 4 10

G

PAGE

General Motors Corp., May 2 30
General Motors of Canada, May 23 46
General Motors of Canada, Ltd., June 13 46
Glen Falls Insurance Co., March 14 .....26, 32
Gold and Circulation, April 25 .. 16
Good Market in Britain for Canadian Lumber, May 9 45
Goodwins, Ltd., April 11 46
Goulds Mfg. Co., April 11 46
Government Bond Sales (Annual) 48
Government Credits Not Approved, June 6 10
Government Finance, Scope, of, February 14 9
Government Financing of Industry, May 9 10
Government and Municipal Bonds, See every issue.
Government Ownership of Railways, May 9 12
Government Plans Railway Work, February 21 14
Government Shipbuilding Programme, The, May 16 9
Government's Action Questioned, January 24 16
Gradual Adjustment and Reconstruction, February 14 12
Grain Supply in Canada, May 2 .. 24
Grand Trunk Bonds, January 31 . 42
Grand Trunk Railway, April 18 .. 14
Grand Trunk Railway Co., June 13 46
Grand Trunk Pacific, How it Was Taken Over, March 28 32
Grand Trunk Pacific in Government Hands, March 14 14
Grain Dealing, Twin City (Annual) 252
Grain Shipments from Port Arthur and Fort William (Annual) ... 270
Grand Trunk Rly. Defaults Interest, April 4 16
Great Britain, Our Relations With, May 9 9
Greater Winnipeg Water District Finances, April 25 10
Great-West Life Assurance Co., February 7 .....12, 27
Great-West Life Assurance Co., April 11 25
Grounds For Bank Amalgamations, March 14 5
Growth of Life Companies (Annual) 206
Guarantee Trust Co. Enters Canada, February 21 52
Guaranty Trust Co. of New York, March 14 .....31, 32
Guaranty Trust Co. of New York, January 24 25
Guelph, Ont., June 20 40
Guelph and Ontario Investment and Savings Soc., March 14 .....28, 32
Guelph Trust Co., March 14 ..26, 29

H

Habits Representation, Mortality By, February 7 8
Hail Act, Saskatchewan Municipal, February 14 55
Hail Insurance Amendment, Manitoba, March 21 34
Hail Insurance in Alberta (Annual) 194
Hail Insurance in 1918 (Annual) 174
Hail Insurance, Saskatchewan Municipal, March 14 24
Hail Insurance Scheme, Alberta, April 4 28
Halifax, N.S., May 30 46
Hamilton Bank Has Good Report, April 4 .....24, 25
Hamilton Bond Sale, March 21 ... 40
Hamilton Provident and Loan Society, March 6 .....26, 29
Hamilton Provident Loan Society, February 21 34

PAGE

Hanover, Ont., January 31 42
Harbon Commission Bonds Sold, February 28 50
Havana Electric Railway, Light and Power Co., May 9 46
Hawkesbury, Ont., February 14 . 50
Heads for Manufacturers' Association, New, June 20 16
Health Insurance Opposed, Compulsory, June 13 10
Hillcrest Collieries, Ltd., March 6 50
Hollinger Consolidated Gold Mines, February 28 58
Hollinger Consolidated Gold Mines, February 14 58
Holt, Renfrew Co., May 16 42
Home Bank of Canada, June 27..25, 46
Home Investment and Savings Association, February 7 .....12, 29
Homestead Entries in Canada (Annual) 97
Homestead Entries in Canada (Annual) 97
Housing Loan, Dominion, Feb. 14 .. 7
Housing Problem, The Owner and the, March 14 9
Howard-Smith Paper Mills, Ltd., March 6 50
Huron and Erie Mortgage Corporation, January 31 50
Huron and Erie Mortgage Corporation, February 14 .....30, 32
Huron and Erie to Double Capital, February 7 6
Hydro Extension Urged, May 2 .. 28
Hydro Radial to be Commenced, March 21 34

I

Immigrant, Finding a Job for the (Annual) 231
Immigration to Canada (Annual) .. 97
Immigration into Canada (Annual) 28
Immigration, Land Settlement and, April 25 20
Imperial Bank of Canada, May 30 26
Imperial Bank Progress, May 30 .. 34
Imperial Bank Reserve Increased, May 23 8
Imperial Guarantee and Accident Co., January 24 42
Imperial Life Assurance Co., January 10 16
Imperial Oil Co-Partnership Plan, March 6 12
Improvement Assessment, Regina May Raise, January 10 30
Income Tax, Winnipeg Prepares, March 6 5
Incorporations in 1918, New (Annual) 95
Increase in Fire Insurance Business, April 11 5
Increase in Nova Scotia Revenue, March 14 22
Increase in Pensions Probable, June 27 9
Increased Dominion Taxation Necessary, March 28 14
Increasing Resort to Government, February 7 9
Indemnity, Canada's Share in the, March 6 10
Industrial Commission, Dominion, June 13 10
Industrial Conditions in Middle West, May 16 38
Industrial Control, Labor's Voice in, January 17 59
Industrial Control, May 23 9
Industrial Development (Annual) . 236
Industrial Enterprise, Civic, May 16 10
Industrial Relations, Commission on, April 18 9
Industrial Relations, Dominion Commission, May 9 14

PAGE

Industrial Relations, Dominion Commission On, May 23 12
Industrial Relations, Royal Commission on, June 13 22
Industrial Stability, Life Insurance and, May 30 10
Industrial Survey for 1918 (Annual) 223
Industrial Unrest, January 17 55
Industry and Agriculture, Financing Canadian, March 14 10
Industry and the Community, March 28 9
Industry, British Columbia's Department of, June 27 10
Industry, Democratic Control of, May 16 24
Industry, Government Financing of, May 9 10
Industry, Provincial Department of, April 11 28
Industry, The Control of, March 21 10
Industries, British, Fair, May 30 . 24
Inflated Conditions Must Be Removed, May 30 5
Influenza Epidemic, Insurance and the, February 14 24
Inland Trade Commission Proposed, April 25 34
Instalment Mortgages and the Interest Act, May 23 18
Insurance Changes in British Columbia (Annual) 200
Insurance Claims to Await Investigation, March 21 7
Insurance Co. Coming to Canada, April 11 12
Insurance Companies Err, When, February 28 55
Insurance Companies, Fooling the, March 6 10
Insurance Companies, Investments of Life, April 25 8
Insurance Companies in Ontario, April 25 26
Insurance Companies Might Forestall Government, January 24 .. 24
Insurance Companies Securities, Value of, January 17 34
Insurance Decisions in 1918, Leading (Annual) 190
Insurance for Disabled Men, January 31 10
Insurance in Ontario (Annual) .. 200
Insurance in Quebec Province (Annual) 198
Insurance, Unemployment, June 6 10
Insurance and the Influenza Epidemic, February 14 24
Insurance in 1918, Canadian Life, May 16 5
Insurance in 1918, Life, Feb. 21.. 5
Insurance in B. C., 1918,
Insurance Legislation, Fraternal, May 9 26
Insurance Scheme Profitable, British, May 9 25
Inter-Imperial Trade Plans (Annual 240
Interest in Mineral Wealth, Stimulate, March 28 12
Interest in Public Affairs, Jan. 31 14
Interest Act, Instalment Mortgages and the, May 23 18
Internal and External Bank Expansion, January 10 9
Internal Trade Commission, May Recommend, June 27 5
International Coal and Coke Co., Ltd., March 21 46
International Coal Co., March 14 .. 50
International Loan Co., January 24 46
International Loan Co., Ltd., April 4 .....28, 45
International Nickel Co., June 6 .. 54
Investments and the Market, See every issue

PAGE

Investments of Life Insurance Companies, April 25 8
Investments in Reforestation, April 4 10
Investors, Ontario Legislation to Protect, March 28 5
Iron and Steel Problems (Annual) 244
Irrigation Plans, Southern Alberta, March 28 24
Irrigation Possibilities Around Lethbridge, March 6 34
Irrigation Strengthens Farmer's Credit, June 6 20
Irrigation, Success of, February 7 22

J

January Bank Statement, March 6 18
January Bond Sales, February 7 . 54
January Fire Losses, February 7. 20
Joint Stock Farming, Could it Succeed? March 21 30

K

Kenora, Ont., March 28 44
Kentville, N.S., May 30 46
Kentville, N.S., June 27 44
Kingston, Ont., June 20 38
King Edward Hotel Co., April 11 .. 46

L

La Banque Provinciale to Increase Dividend, February 7 16
La Banque Nationale, May 30 .. 28
La Banque Nationale, June 20 ..26, 34
Labor Conditions Must Be Removed, Inflated, May 30 5
Labor Difficulty Will Disappear, February 21 24
Labor Exchanges, Progress With, February 28 10
Labor's Voice in Industrial Control, January 17 59
Lacombe and Blindman Valley Railway, April 18 8
Lading, With Bill of Attached, June 6 18
Lake Huron Steel Corp., May 23 .. 46
Lanark County, Ont., February 7 50
Land Mortgage Assoc., of Ontario, March 21 12
Land Settlement Plan, British Columbia, February 21 34
Land Transfer Reforms, June 13 . 14
Land Settlement and Immigration, April 25 20
Large Banks of the World (Annual) 40
Laurentide Power Co., February 14 58
Leading Life Companies (Annual) 188
Legislation, Blue Sky, February 14 9
Legislation, Moratoria, February 28 10
Liability for Accepted Cheque, April 18 22
Liability Insurance and Damages (Annual) 192
Life Business, Phenomenal Increase in, April 18 5
Life Companies in the Lead (Annual) 188
Life Companies' War Loan Investments (Annual) 204
Life Companies, War Time Experience of (Annual) 212
Life Insurance and Industrial Stabilty, May 30 10
Life Insurance, Business (Annual) 210
Life Insurance Companies, Investments of, April 25 8
Life Insurance Companies, War Loan Investments (Annual) .. 204
Life Insurance for Impaired Risked, January 24 20
Life Insurance in 1918, Canadian, May 16 5
Life Insurance in 1918, Feb. 21.. 5
Life Insurance in Alberta, May 23 30
Life Insurance Investment, Safety of, June 20 10

PAGE

Life Insurance Laws Included, Canadian, April 4 20
Life Insurance Problems and the War (Annual) 173
Life Insurance Transacted in Canada (Annual) 176
Life Insurance, Wonderful Growth in (Annual) 206
Life Underwriters Boost Membership, February 20
Lincoln County, Ont., May 2 48
Lion in the Path, The (Annual) .. 86
Living, Cost of Committee, June 6 9
Loan Companies, Why They Fail, March 6 9
Loan and Trust Amendment, Ontario, March 28 32
Loans in Canada, Current (Annual) 41
Local Finance in Saskatchewan (Annual) 114
Loew's Theatre Issues, March 14 .. 32
London Assurance Corporation, June 6 .....8, 30c
London and Canadian Loan and Agency Co., February 21 ..... 7, 27
London and Lancashire Fire Insurance Co., May 23 ..... 7, 25
London and Lancashire Life and General Assurance Association, Ltd., June 20 25
London Life Insurance Co., February 14 .....25, 40
London Mutual Fire Insurance Co., February 28 ..... 7, 35
London Still World's Financier (Annual) 38
London Street Railway Co., Feb. 21 50
London Township, Ont., March 14 42
Long-Distance Rates Discussed, May 9 36
L'Orignal, Ont., June 20 38
Losses From Rodded Buildings, Small, June 13 30
Low Money Value, Effect of, May 16 10
Lower Profits Anticipated, Jan. 31 36
Lower Tariff, Liberals Will Advocate, January 24 28
Lumber Industry in Canada, June 27 40
Lyall and Sons Construction Co., P., June 6 56

M

Machinery, Canada's Export, June 6 5
Mackay Cos., February 21 50
Manitoba Bond Sale, March 21 .. 40
Manitoba Farm Loans Association (Annual) 118
Manitoba's Financial Position, May 16 26
Manitoba Government's Record, January 24 42
Manitoba Grain Growers Convene, January 17 22
Manitoba Hail Insurance Amendment, March 21 34
Manitoba Insurance Changes (Annual) 202
Manitoba in Sound Financial Position, February 21 40
Manitoba May Change Tax System, February 21 7
Manitoba's Plan for Expenditure, February 28 20
Manitoba Rural Credits in 1918, April 4 27
Manitoba Stock Men Meet at Brandon, January 10 7
Manitoba Tax Commission Evidence, March 14 7
Manitoba Will Report Fire Losses, March 6 36
Manufacturers Annual Convention, Canadian, June 13 5
Manufacturers' Association, New Heads for, June 20 16
Manufactures Life Insurance Co., February 14 .....16, 49

PAGE

Manufacturers Life Changes, January 31 12
Maple Leaf Milling Co., June 20 .. 48
March Bank Statement, May 2 5
March Bond Sales, April 4 42
March Fire Losses, April 4 14
Marconi Wireless Telegraph Co., January 10 46
Marine Insurance in Great Britain, February 14 14
Masten Report, Praise for, April 18 24
Masten Report Commended, March 21 48
Mattagami Pulp Financing, New, May 9 40
May Bank Statement, Advance, June 27 8
May Bond Sales, June 6 50
May Fire Losses, June 6 22
McGillivray Township, Ont., April 11 40
McKinley-Darragh-Savage Co., March 6 50
Meat Industries in Canada, Feb. 7 48
Mental Hygiene, The National Council for, March 28 9
Merchants Bank, June 6 .....12, 30d
Merchants Bank of Canada, May 30 14
Merchants Bank to Increase Capital, April 4 14
Merchants Fire Insurance Co., January 17 .....36, 40
Mercantile Trust Co., February 21 38
Metal Mines, Northern Ontario's, June 6 14
Metal Mines, Northern Ontario's, February 7 42
Middleman, Price Fixing and the, May 2 10
Mineral Output, Canada's, March 21 14
Mineral Wealth, Stimulate Interest in, March 28 12
Mines, Financing Development of, April 11 10
Mining Conditions in Northern Ontario (Annual) 246
Mining Corp. of Canada, April 25 50
Miniota, Man., June 20 40
Miniota Farmers Mutual Fire, March 21 .....18, 37
Minority Shareholders (Annual) .. 109
Monarch Knitting Co., April 18 .. 16
Monarch Life Assurance Corporation, February 14 .....12, 26
Mond Nickle Co., Ltd., (Security Offering) January 10 46
Money and Circulation in Canada (Annual) 37
Money and War Prices, May 16 .. 8
Money Value, Effect of low, May 16 10
Moneys Coined by Canada's Mint (Annual) 34
Moneys Coined By Canada's Mint, January 24 30
Montreal and Edmonton Boards of Trade Annuals, February 7 16
Montreal Bonds Listed on Exchange, January 17 60
Montreal Budget Strengthens Finances, January 17 18
Montreal City and District Savings Bank, February 21 .....12, 28
Montreal Cottons, Ltd., March 6 50
Montreal Light, Heat and Power Consolidated, June 6 56
Montreal Loan and Mortgage Co., February 21 6
Montreal Telegraphs Co., January 17 58
Montreal Tramways and Power Co. (New Financing) January 17 ... 58
Montreal Water and Power Co., June 27 50
Moose Jaw, Sask., May 23 48
Moose Jaw Street Railway, Offer, January 31 6

PAGE

Moratoria Legislation, February 28 10
Mortality By Habits Representation, February 7 8
Mortality Ratios, Standard (Annual) 220
Mortgage and Loan Companies' Assoc. of Alta., May 9 32
Mortgage and Trust Co.s' Assoc., April 25 31
Mortgage and Trust Companies' Assoc., May 9 28
Mortgage Company Closes Doors, Standard Reliance, June 20 ... 8
Mortgage Corporation of Nova Scotia, February 14 .....37, 40
Mortgages and the Interest Act, Instalment, May 23 18
Mortgages in Alberta, Urban, April 11 30
Motor Union Enters Canadian Field, June 6 6
Mount Royal Assur. Co., Feb. 21 14
Municipal Act, British Columbia's New, February 28 6
Municipal Bond Sales (Annual) .. 48
Municipal Bond Sales, December, January 10 27
Municipal Financing Not Satisfactory, April 18 7
Municipal Hail Act, Saskatchewan, February 14 55
Municipal Hail Insurance, Saskatchewan, March 14 24
Municipal Tax Collections, January 10 9
Municipal Taxation Powers, Increase, January 17 46
Municipalities, Alberta Will Assist, June 6 38
Municipalities, Bank Advances to (Annual) 39
Municipalities in Default, No (Annual) 150
Municipalities Must Sell by Tenders, March 28 20
Mutual Life Assurance Co., Feb. 7.16, 33

N

National Breweries, Ltd., May 16 42
National Council for Mental Hygiene, March 28 9
National Debt. Canadian Railways and the, May 2 18
National Debt, Foreign Trade and the, February 28 10
National Fire Protection Convention, May 9 5
National Life Assurance Co., January 17 10
National Railway Bill, The, April 25 9
National Railways Issue Oversubscribed, January 31 42
National Resources and Debt. (Annual) 99
National Resources and Debt (Annual) 99
National Trust Co., February 21 12
National Trust Co., February 28.28, 34
National Viewpoint, Wanted—A, January 31 9
National Wealth and Income of Canada (Annual) 19
National Wealth and Income of Canada (Annual) 19
Net Profits and Dividends of Canada's Banks (Annual) 62
New Brunswick, May 16 36
New Brunswick Bonds, February 7. 52
New Brunswick Estimates Lower, April 4 12
New Brunswick Power Company, May 9 16
New Brunswick Public Accounts, May 23 22
Newfoundland, Bond Issue and Finances, May 23 40

PAGE

Newfoundland Loan on Market Soon, April 11 36
New Fraternal Insurance Restrictions, April 11 16
New Incorporations in 1918 (Annual) 95
New Incorporations, See every issue.
New Legislation, Nova Scotia Passes (Annual) 202
New Licenses Issued (Annual) .. 198
New Officers of Union Bank, January 17 14
New Toronto, Ont., June 20..... 40
Newsprint Price Appeal, Jan. 24 12
Nipissing Mining Co., January 17 58
Nipissing Mines, Ltd., February 14 58
Nipissing Mining Co., April 18 .. 14
Nipissing Mining Co., June 6 54
No Fixed Price for Wheat Crop, Ask, February 7 46
No Uniformity in Taxation Views, March 21 5
Notable Prospectuses of the Year (Annual) 138
Nova Scotia Accounts and Estimates, May 16 22
Nova Scotia Bonds, June 27..... 44
Nova Scotia Compensation Act Amended, May 23 24
Nova Scotia Revenue, Increase in, March 14 22
Nova Scotia Steel and Coal Co., January 31 50
Nova Scotia Steel and Coal Co., March 21 46
Nova Scotia Steel and Coal Co., April 4 26
Nova Scotia Tramways and Power Co., April 4 46
Nova Scotia Underwear Bonds, April 25 44
November Bank Statement, Jan. 10 16
North American Life Ins. Co., January 31 ..... 8, 27
North American Life Assur. Co., February 7 14
Northern Life Assur. Co., March 6 .....26, 28
Northwestern Life Assur. Co., March 6 ..... 6, 41
North West Fire Insurance Co., February 21 ..... 6, 26

O

Occidental Fire Insurance Co., March 14 ..... 6, 25
Ocean Accident and Guarantee Corporation, May 23 .....20, 27
"Old Line" Companies on Top, March 28 32
Ontario Assessments in 1917, April 25 14
Ontario Bonds, $4,000,000, May 30.46, 56
Ontario Bonds Sold, April 18..... 36
Ontario Bonds, Province of, Jan. 24 38
Ontario Estimates Increase Over $2,000,000.
Ontario Estimates Greatly Increased, March 14 18
Ontario Hydro Financial Results, March 6 38
Ontario Insurance Companies, April 25 26
Ontario Land Mortgage Association, March 21 12
Ontario Legislation to Protect Investors, March 28 5
Ontario Loans Up to $10,000,000, April 11 40
Ontario Loan and Debenture Co., February 14 .....31, 34
Ontario's Metalliferous Production, June 6 14
Ontario Metallurgical Products in 1981, March 14 38

PAGE

Ontario Mines Act, Pending Amendments, February 14 8
Ontario Silver Mining Co., March 28 50
Ottawa Electric Application Refused, February 28 16
Ottawa Gas Bonds Offered, March 21 8
Ottawa Light, Heat and Power Co., February 28 .....16, 38
Ottawa, the Capital of Canada (Annual) 162
Our Relations With Great Britain, May 9 9
Outlook, The Financial, April 18 10
Outstanding Financial Event, An May 2 9
Owner and the Housing Problem, The, March 14 9

P

Pacific-Burt, Co., June 6 54
Pacific-Burt Co., Ltd., June 20 .. 46
Pacific Coast Fire Insurance Co., April 4 12
Paper Tribunal Interim Judgment, January 31 46
Partial Exemption from Assessment, April 18 9
Part-Timer, The Status of the, June 27 10
Part-Timer, Advantages of the, April 4 22
Peace and Canadian City Planning (Annual) 84
Peace Conference, Economic Aspects of the, February 21 9
Peace on St. John, Effect of, February 7 42
Pembroke Bonds, February 14..... 52
Penman's, Ltd., Profits Higher, March 6 12
Pensions, Increase in Probable, June 27 9
Permits in 1918, Building (Annual) 56
Personal Covenant Handicaps Borrowings, May 9 32
Perth, Ont., February 14..... 50
Peterson Lake Mining Co., January 31 50
Petrolia Bonds, February 28..... 52
Phenomenal Increase in Life Business, April 18 5
Point Grey, B.C., March 6..... 42
Point Grey, B.C., June 6 30
Policyholders Gain in Life Insurance, January 17 59
Political Underworld, The, January 17 10
Portage La Prairie Farmers' Mutual Fire Ins. Co., February 21.. 30
Port Arthur, Ont., March 28..... 44
Porto Rico Railways Co., Feb. 28 58
Postdated Cheques (Annual) 60
Postponement of Tariff Issue Urged, January 31 5
Power Upheld in Supreme Court, Provincial, May 16 14
Power, Where it is Available, April 18 20
Praise for Masten Report, April 18 24
Price Bros. and Co., Ltd., April 25 50
Price Fixing and the Middleman, May 2 10
Price Movements in Canada, Recording (Annual) 91
Price for Wheat Crop, Ask No, February 7 46
Price Levels, Future, June 20 34
Price Movement, Wholesale in Canada, April 25 18
Prices, Are They Coming Down? May 23 10
Prices, Wages, Rates and, March 14 9
Prices, When Will They Become Normal? April 11 20

PAGE

Prince Albert Financial Settlement, March 21 8
Prince Edward Island Debt Has Not Increased During the War, May 9 24
Prince Edward Island Finance, April 25 34
Principal Ports of Canada (Annual) 106
Private Bond Sale Still Possible, March 28 22
Producer and Consumer, March 21 9
Production, Census, February 21 36
Production and Consumption, Equalizing, May 23 26
Professional Business Education for Canada, May 23 5
Profits and Dividends of Canada's Banks, Net (Annual) 62
Profits, Lower, Anticipated, Jan. 31 36
Progress With Labor Exchanges, February 28 10
Proposed Merger of Bank of Nova Scotia and Bank of Ottawa, January 24 5
Prospectuses, Notable, of the Year (Annual) 138
Prosperity of Canada (Annual) .. 216
Prosperity or Depression, Jan. 10 5
Protection to Depositors, Feb. 21 22
Provincial Bank Issue, March 21 .. 8
Provincial Banking Systems Proposed, January 24 10
Provincial Bond Sales (Annual) .. 48
Provincial Department of Industry, April 11 28
Provincial Financing, January 17 50
Provincial Paper Mills, February 14 58
Provincial Paper Mills, February 21 50
Provincial Power Upheld in Supreme Court, May 16 14
Provincial Utility Boards Useful, January 24 9
Public Affairs, Interest in, Jan. 31 14
Public Financing in Alberta (Annual) 101
Public Financing in Maritime Provinces (Annual) 152
Public, Fire Insurance and the, May 9 10
Public Ownership, A Reaction from, April 11 9
Public Ownership Losing Ground, May 23 28
Public Utilities Outlook, Feb. 14 44
Public Utility Companies in 1918, May 16 20
Puddys, Ltd., May 23 46
Pulp and Paper Exports, Canadian, May 16 20
Pulp and Paper Exports, Growth of, June 27 24

Q

Quebec Company Law, Revise, March 6 16
Quebec Finances, Province of, February 7 14
Quebec Issue from St. Maurice Co., January 31 20
Quebec Looks for More Capital, June 20 7
Quebec Provincial Bonds, Jan. 17 50
Quebec Province Has Surplus, January 24 36
Quebec R. C. School Bonds, March 28 44

R

Radical Viewpoint, The, June 20 .. 10
Railroad Earnings, Canadian (Annual) 270
Railroads, Should They Be Taken Over? June 13 18
Railroad System, Canada's Greatest (Annual) 228
Railway Bill, The National, April 25 9

PAGE

Railway Passenger's Assurance Co., May 30 ..... 24, 25
Railway Programme, Completing the, March 21 10
Railway Relations—Economic Prospect (Annual) 78
Railway System, State, a Menace, April 25 5
Railway Work, Government Plans, February 21 14
Railways and the National Debt, Canadian, May 2 18
Railways, Government Ownership of, May 9 12
Rates and Prices, Wages, March 14 9
Rates Suggested at Phone Enquiry, February 14 38
Reaching the Bay, March 6 10
Reaction from Public Ownership, A, April 11 9
Real Estate Activity Anticipated, June 20 30
Real Estate Loan Co. of Canada, February 21 6
Recent Fires and Additional Information, See every issue.
Reconstruction, A Financial Factor in, May 2 10
Reconstruction, Claim of Forestry in, February 7 5
Reconstruction, Construction and, April 4 9
Reconstruction Factors, Feb. 28 9
Reconstruction, Gradual Adjustment and, February 14 12
Reconstruction in Industrial Life, January 24 14
Record of Exchange Quotations (Annual) 42
Reforestation, Investments in, April 4 10
Regina's Bonded Debt, January 24 22
Regina May Raise Improvement Assessment, January 10 30
Rehabilitation, January 24 9
Reid-Newfoundland Railway Co., May 16 42
Renfrew County, Ont., June 6 ... 46
Reserve Institutions, Canadian Banks as, March 28 10
Resort to Government, Increasing, February 7 9
Resources Overestimated, Canada's, February 28 18
Retrospect and Prospect (Annual) . 7
Riordon Bond Issue, February 7 .. 52
Riordon Bond Issue, February 7 .. 52
Riordon Financing, New, Feb. 28 52
Riordon Pulp and Paper Results, March 14 24
Riordon Pulp and Paper Co., April 11 48
Riordon to Make New Bond Issue, January 10 43
Robers, Wm. A., Ltd., March 28 .. 50
Rodded Buildings, Small Losses From, June 13 30
Royal Bank Controls Merchants National, March 28 32
Royal Bank Links With Great Britain, April 18 8
Royal Bank of Canada, January 17 38
Royal Bank's Expansion, Jan. 10 12
Royal Commission on Industrial Relations, June 13 22
Royal Exchange Assurance, May 9 26
Royal Securities Re-Enters Toronto Field, February 21 44
Rubber Concern, New, June 13 .. 34
Rural Credits, Manitoba, in 1918, April 4 27
Rural Municipalities, Fire Prevention in, March 6 24
Rural Municipalities of Saskatchewan, March 21 20

S

PAGE

Safety of a Life Insurance Investment, June 20 10
Sarnia, Ont., May 2 48
Saskatchewan Association of Rural Municipalities, March 21 20
Saskatchewan Bond Issue, April 11 40
Saskatchewan Bonds, January 31 .. 42
Saskatchewan "Clean Up" Week, May 2 28
Saskatchewan Crop Outlook, April 25 28
Saskatchewan Insurance Changes in 1918 (Annual) 198
Saskatchewan Life Insurance Co., March 6 ..... 6, 41
Saskatchewan Looking Forward to Prosperous Year, February 21 .. 40
Saskatchewan Mortgage and Trust Co., March 6 32
Saskatchewan Municipal Hail Act, February 14 55
Saskatchewan Municipal Hail Insurance, March 14 24
Saskatchewan Municipalities Convention, May 23 24
Saskatchewan Mutual Fire Insurance, May 2 8
Saskatchewan's Financial Position, February 7 28
Saskatchewan's Town Planning Regulations, June 27 7
Saskatoon, Sask., January 31 42
Saskatoon's Public Utilities (Annual) 154
Sault Ste. Marie, Ont., February 28 50
Savings Deposits Recover Quickly, March 6 18
Sawyer-Massey Co., Ltd., April 25 50
Scope of Government Finance, February 14 9
Security Life Ins. Co. of Canada, Feb. 21 ..... 31, 52
Security Market in 1918 (Annual) 77
Security Prices, Future of (Annual) 188
Seed Grain Loan Arrangement, April 18 28
Seeding Commenced in Manitoba, April 25 7
Sending Cheque for Collection Direct, April 25 32
Seven Million of Bank Deposits (Annual) 40
Sharing Transportation Costs, May 23 10
Shawinigan Water and Power Co., January 24 46
Shawinigan Water and Power Co., February 28 58
Ship Losses and Construction, February 14 10
Shipbuilding Costs, Exorbitant, January 31 10
Shipbuilding in England, Feb. 14 42
Shipbuilding Programme, The Government, May 16 9
Shippings Share in Foreign Trade, June 20 30
Sherbrooke, Que., January 24 38
Should Canadian Tariff be Revised Now? February 21 18
Should the Roads Be Taken Over? June 13 18
Siberian Trade Not Practicable, March 21 7
Silver Market, London and New York, March 28 24
Single Tax in Theory and in Practice, June 27 26
Smith's Falls, Ont., March 28 .. 44
Soldiers' Pensions in Canada (Annual) 98
South African Trade Openings, February 14 48
Southern Alberta Irrigation Plans, March 28 24
Sovereign Life Assurance Co. of Canada, February 14 ..... 8, 35

PAGE

Soviet Rule, The Future of, April 4 10
Spanish Pulp and Paper Mills, Ltd., June 27 50
Spread of Tax Arrears, March 6 . 6
St. Boniface, Man., March 21 38
St. Catharines, Ont., June 20 40
St. Lambert Bonds, March 21 40
St. Maurice Co., April 25 52
Standard Bank of Canada, Feb. 21 41
Standard Bank of Canada, February 28 .....33, 50
Standard Reliance Mortgage Closes Doors, June 20 8
Standard Reliance Mortgage Corporation, March 6 .....27, 28
Standard Trusts Company, February 7 ..... 6, 26
State Railway System a Menace, April 25 5
Status of the Part Timer, The, June 27 10
Statutory Conditions of Fire Insurance, February 7 24
Steam Railways of Canada (Annual) 104
Steam Railways of Canada (Annual) 105
Steamship Board, Disruption of, February 14 36
Steel Co. of Canada, April 18 .. 16
Steel Producer, Canada's Prospects as, February 7 44
Sterling and New York Exchange, April 18 6
Sterling Bank of Canada, May 23 25
Sterling Trusts Corporation, Feb. 28 .....16, 54
Stock Exchange Review and Outlook, January 10 34
Stock Exchange Sales in 1918 (Annual) 123
Stock Issues, Analysis of Leading (Annual) 107
Stratford, Ont., March 28 42
Sub-Divisions, Alberta Act Regarding, June 27 14
Sudbury, Ont., January 31 42
Suicide and Life Insurance, February 7 18
Sun Brick Co., April 25 50
Sun Life Assurance Co., February 14 30
Sun Life Assurance Co., March 6 . 14
Sun Life Assurance Co., March 28 25
Supplementary Estimates $19,000,000
Sydney, N.S., January 10 38

T

Tariff and Customs Issue, The, January 24 18
Tariff and the Free List, The, April 25 10
Tariff Be Revised Now, Should the Canadian? February 21 18
Tariff Issue, Postponement of Urged, January 31 5
Tax Arrears, Spread of, March 6 6
Tax Collection Desirable, Earlier, February 14 16
Tax Commission, British Columbia, April 4 5
Tax Commission Evidence, Manitoba, March 14 7
Tax Proposals, Radical, June 13 . 24
Tax Reform Voted Down, January 31 10
Tax in Theory and in Practice, Single, June 27 26
Tax Sale Certificates as Investments (Annual) 90
Tax System, Manitoba May Change, February 21 7
Taxation Act, Amendments to, April 11 18
Taxation, Increased Dominion, Necessary, March 28 14

PAGE

Taxation of Unearned Value, May 30 10
Taxation Question in Winnipeg, January 31 28
Taxation Views, No Uniformity in, March 21 5
Telephone Finances, Change in Alberta, April 18 12
Telephones, Alberta, in 1918, March 14 22
Tender, Municipalities Must Sell By, March 28 20
Terminology of Fire Protection, April 25 6
Three Rivers, Que., January 31 .. 42
Thrift, Economic Efficiency and, April 11 9
Thorold, Ont., May 9 40
Timber for Britain, $40,000,000 of, January 17 44
Timber Resources of British Columbia (Annual) 226
Timiskaming Mining Co., Feb. 7 58
Toronto Business Tax, The, June 6 20
Toronto's Credit High, January 17 8
Toronto General Trusts Corporation, February 7 .....12, 34
Toronto Mortgage Co., February 14 .....35, 39
Toronto, Ont., February 14 50
Toronto Paper Manufacturing Co., May 9 46
Toronto Purchases Metropolitan Railway, March 14 44
Toronto Railway Co., January 31 . 50
Toronto Railway Co., February 7 .12, 30
Toronto Separate Schools, March 6 42
Toronto Stock Exchange, Trading Floor of, April 18 42
Toronto Savings and Loan Co., February 28 44
Toronto to Raise $17,000,000,
Town Planning in Canada (Annual) 100
Town Planning Regulations, Saskatchewan's, June 27 7
Townships of Essa and Innisfil, March 14 42
Trade Acceptances (Annual) 35
Trade Acceptances in United States, June 20 36
Trade Balance, Canada's (Annual) 66
Trade Boards, New Heads of Leading, January 24 42
Trade, Canadian With U. S., April 18 26
Trade Commission, May Recommend Internal, June 27 5
Trade Commission, Proposed, Inland, April 25 34
Trade Connections, British, February 7 9
Trade Figures Explain Exchange Rates, June 27 34
Trade Figures Show Decrease, January 24 14
Trade of Canada, Decline in, May 23 32
Trade Plans, Inter-Imperial (Annual) 240
Trade, Siberian Not Practicable, March 21 7
Trade Statement for Year Shows Decrease, May 2 12
Transacted in Canada, Fire (Annual) 186
Transacted in Canada, Life (Annual) 176
Transfer Reforms, Land, June 13 14
Transportation Cost, Credit for, January 10 9
Transportation Costs, Sharing, May 23 10
Travellers' Life Assurance Co. of Canada, February 21 26
Trethway-Silver-Cobalt Mines, Ltd., February 28 58
Trust and Loan Co. of Canada, June 20 24

PAGE

Trust Company and Its Functions, The (Annual) 94
Trust Co.s' Assoc., Mortgage and, April 25 31
Trust Companies Assoc., Mortgage and, May 9 28
Trust Companies Combine, June 27 12
Trust Co. in Canada, New, April 11 12
Trust Company, Functions of a, January 24 34
Trusts and Guarantee Co., Ltd., February 7 .....10, 32
Tuckett Tobacco, Ltd., June 20 .. 48
Twelve Months' Bank Figures (Compared) (Annual) 34
Twin City Rapid Transit Co., May 2 30

U

Underwood Typewriter Co., Feb. 21 50
Underwriters' Association Vindicated, Fire, March 14 24
Unemployment Insurance, June 6 10
Unemployment Prevalent in Cities, January 24 10
Union Bag and Paper Co., March 28 50
Union Bank Has Raised Dividend, January 10 37
Union Bank of Canada, January 17 34
Union Trust Co., February 14 ...26, 40
United Kingdom, Canadian Securities in the February 28 10
United States, Canada's Relations With, June 20 14
United States Investments in Canada (Annual) 156
United States Investments in Canadian Manufacturing, May 9 18
United States, Trade Acceptances in, June 20 36
Unmeasurable Risks in Life Insurance (Annual) 178
Utilities, Edmonton Civic (Annual) 148
Utilities, Saskatoon's Public (Annual) 154
Utility Boards Useful, Provincial, January 24 9
Utility Companies in 1918, Public, May 16 20
Urban Mortgages in Alberta, April 11 30

V

Vancouver and Coast Prosperous, May 16 18
Vermilion, Alta., April 4 38
Victoria, Development of (Annual) 258
Victoria, B.C., January 17 50
Victoria, B.C., January 31 42
Victory Loan Special Committee, February 7 7
Victory Loan Subscriptions, January 31 32
Victory Loan, 1918 (Annual) 114
Viewpoint, The Radical, June 20 10
Viewpoint, Wanted—A National, January 31 9

W

Wage Earner and His Value, The, April 18 10
Wages, Rates and Prices, March 14 9
Walkerville, Ont., May 9 40
Want Division of B. C., March 6 36
Wanted—A National Viewpoint, January 31 9
War and Canadian Industry (Annual) 266
War Loan Investments of Life Companies (Annual) 204
War Organizations, Voluntary (Annual) 72
War Prices, Money and, May 16 .. 8
War Taxes and Business (Annual) 118
Water District Finances, Greater Winnipeg, April 25 10

PAGE

Water Power Development, State Aid for, February 14 5
Water Powers of Canada (Annual 260
Waterloo County Loan and Savings Co., February 28 26
Wayagamack Pulp and Paper Co., January 31 50
Wealth and Income, National (Annual) 19
Welland, Ont., March 21 38
Western Assurance Co., Feb. 27 7
Western Assurance Co., March 6.31, 32
Western Canadian Cities, Finances of (Annual) 103
Western Farmer, Canadian Banks and the, February 21 10
Western Grocers, Ltd., April 11 .. 46
Western Life Assurance Co., February 7 .....25, 55
Western Life Assurance Co., February 21 ..... 6, 30
Western Outlook, May 2 46
Western Trust Co., April 11 10
Weston, Ont., April 4 40
Weyburn Security Bank, April 4 . 43

PAGE

What Will Bond Holders Say? May 23 10
Wheat Credits, $60,000,000 for, January 31 10
Wheat Price, Fixed, Asked, Feb. 28 42
Wheat Yield, Canada's, February 7. 44
When Our Banks Commenced Business (Annual) 31
When Our Banks Commenced Business (Annual) 36
When Will Prices Become Normal? April 11 20
Where Power is Available, April 18 20
Wholesale Price Movement in Canada, April 25 18
Why Loan Companies Fail, March 6 9
Windsor Bonds, February 21 44
Windsor, Ont., May 16 36
Winnipeg Electric Changes, Feb. 21 16
Winnipeg Electric Railway, Jan. 31 50
Winnipeg Income Tax, No, This Year, March 21 18
Winnipeg, Man., May 2 40
Winnipeg Prepares Income Tax, March 6 5

PAGE

Winnipeg Taxation Question, January 31 28
Winnipeg Water District Finances, Greater, April 25 10
Winnipeg Water Finances Unsettled, March 21 32
Winnipeg Water System, New Basis far, March 6 38
Women Workers in Great Britain, February 21 10
Workmen's Compensation Board, Alberta, May 2 14
Wonderful Growth of Winnipeg (Annual) 121
Woods Manufacturing Co., February 28 ..... 8, 49

Y

York Township, Ont., January 24 38

Z

Zimmerman-Reliance, Ltd., April 25 50

1918 Banking Results, February 28 5

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TORONTO, JANUARY 3, 1919

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General Index to Subjects, The Monetary Times, January 3, 1919

FEATURE

	PAGE
Canada's Financial Future	21
Canada's Premiers Write of the Outlook	13
Canadian Government, Expansion of	23
Expansion of Canadian Government	23
Financial Future, Canada's	21
Immigration into Canada	28
National Wealth and Income of Canada	19
Premiers Write of the Outlook, Canada's	13
Retrospect and Prospect	7

BANKING

Adequate Banking System, Our	40
Bank Advances to Municipalities	39
Bank Amalgamations to Date, Canadian	58
Bank Branches, Where They Are Situated	68
Bond Sales	46-50
Canadian Banking in 1918, Review of	33
Canadian Securities in London	39
Cheque, Payment by Bank	60
Cheques, Postdated	60
Clearings	52
Clearing Houses, Canadian Bank	68
Clearing House, The Canadian Bank	64
Compositplot of Canadian Conditions	44
Course of Current Loans	41
Credit and the Price Problem	70
Exchange Quotations	42
Fidelity Bonding of Employees	36
Fire Losses	56
London Still World's Financier	38
Money and Circulation in Canada	37
Moneys Coined by Canada's Mint	34
Postdated Cheques	60
Profits and Dividends of Canada's Banks, Net	62
Record of International Exchange	42
Seven Million of Bank Deposits	40
Trade Acceptances	35
Trade Balance, Canada's	66
Twelve Months' Bank Figures (Compared)	34
War Organizations, Voluntary	72
When Our Banks Commenced Business	36

INVESTMENT

Agricultural Organizations in the West	88
Analysis of 70 Leading Stock Issues	107
Bond Review and Outlook	160
Bond Sales	48
"Bucket Shops," Gaming and Grain Brokers	82
Building Permits	56
Canada and the United States	156
Canada and the West Indies	80
Canada's Borrowing in English Market	152
Canada's 1918 Victory Loan	114
Canada's Place in Reconstruction	116
Canadian National Education	85
Canadian Trade With China	101
Changes in Mortgage Loan Conditions	115
Commercial Balance Sheet, Canada's	168
Conservation and the War	92
Dividends and Bonuses of Ontario Mining Companies	120
Edmonton Civic Utilities	148
Electric Railways of Canada	106
Federal and Provincial Finance	108
Finances of Western Canadian Cities	103
Financial Advertising, Commanding Future of	96
Financing After-the-War Industry	75
Financial Values, Comparative Table of	87
Foreign Trade for Canada	102
Future of Security Prices	188
Homestead Entries in Canada	97
Immigration to Canada	97
Lion in the Path, The	86
Local Finance in Saskatchewan	114
Manitoba Farm Loans Association	118
Minority Shareholders	109
Municipalities in Default, No	150
National Resources and Debt	99
New Incorporations in 1918	95
Notable Prospectuses of the Year	138
Ottawa, the Capital of Canada	162
Peace and Canadian City Planning	84
Price Movements in Canada, Recording	91
Prospectuses, Notable, of the Year	138
Public Financing in Alberta	101
Public Financing in Maritime Provinces	152
Railway Relations—Economic Prospect	78
Saskatoon's Public Utilities	154
Security Market in 1918	77
Security Prices, Future of	188
Soldiers' Pensions in Canada	98
Steam Railways of Canada	105
Stock Exchange Transactions in 1918	123
Tax Sale Certificates as Investments	90
Town Planning in Canada	100
Trust Company and Its Functions, The	94
Victory Loan, 1918	114
War Taxes and Business	118
Western Canadian Cities, Finances of	103
Wonderful Growth of Winnipeg	121

INSURANCE

Bond Investments and Life Insurance	182
British Fire Insurance is Pre-eminent	178
Business Life Insurance	210
Co-operation, Practical Results of	194
Damages and Liability Insurance	192
Deaths Caused by Violating the Law	180
Dominion Insurance Changes	175
Fatal Industrial Accidents, 1918	184
Fidelity Bonding of Employees	36
Fire Insurance Transacted in Canada	186
Fire Losses	56
Fire Prevention	208
Fire Prevention Legislation Required	176
Fire Waste is Increasing	186
Future of Security Prices	188
Hail Insurance in Alberta	194
Hail Insurance in 1918	174
Insurance Changes in British Columbia	200
Insurance Decisions in 1918, Leading	190
Insurance in Ontario	200
Insurance in Quebec Province	198
Liability Insurance and Damages	192
Life Companies in the Lead	188
Life Companies, War Time Experience of	212
Life Insurance, Business	210
Life Insurance Companies, War Loan Investments	204
Life Insurance Problems and the War	173
Life Insurance Transacted in Canada	176
Life Insurance, Wonderful Growth in	206
Manitoba Insurance Changes	202
Mortality Ratios, Standard	220
New Legislation, Nova Scotia Passes	202
Prosperity of Canada	216
Saskatchewan Insurance Changes in 1918	198
Security Prices, Future of	188
Unmeasurable Risks in Life Insurance	178

INDUSTRIAL

Alberta Agriculture in 1918	268
British Columbia in 1918	234
British Columbia Timber Resources	226
Building Permits	56
Coal Mining in Alberta During 1918	238
Cobalt Ore Shipments	264
Crude Petroleum and Its Products	233
Finding the Immigrant a Job	231
Foreign Trade for Canada	102
French Forestry Methods	256
Fuel Control in Canada	250
Grain Dealing, Twin City	252
Immigrant, Finding a Job for the	231
Immigration to Canada	97
Industrial Development	236
Industrial Survey for 1918	223
Inter-Imperial Trade Plans	240
Iron and Steel Problems	244
Mining Conditions in Northern Ontario	246
New Incorporations in 1918	95
Railroad Earnings, Canadian	270
Railroad System, Canada's Greatest	228
Timber Resources of British Columbia	226
Trade Plans, Inter-Imperial	240
Victoria, Development of	258
War and Canadian Industry	266
Water Powers of Canada	260

Who's Who in The Monetary Times

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

ALGER, W. ROSS. Edmonton.—Of W. Ross Alger & Co., dealers in government and municipal lands. Formerly manager debenture branch, Department of Education, province of Alberta, previous to which he was manager for the Canadian Bank of Commerce of one of their western branches. (Page 101.)

APPLETON, JOHN.—Secretary-treasurer of Dominion Mortgage and Investment Association, Toronto, since 1916. Born in Yorkshire, England, 1867, and was in journalism in England until 1890, when he came to Canada. For ten years he was financial editor of the Manitoba Free Press. (Page 112.)

BARKER, A. B., Toronto.—A public accountant and manager of the Toronto Bank Clearing House. Was formerly in the Canadian banking service. Author of a "Manual on Security Forms." (Page 64.)

BARTON, R. W., A.I.A., Chicago.—An English actuary; resident in Toronto until recently; now associated with the St. Louis office of Marwick, Mitchell, Peat & Company, chartered accountants. (Page 178.)

BEALE, A. M., Ottawa; B.Sc. (London, Eng.); A.M.E.I.C.; D.L.S.—Since 1908 with Department of the Interior; at present Administration Engineer and Dominion Land Surveyor, Dominion Water Power Branch. (Page 260.)

BENGOUGH, J. W., Toronto, Ont.—Well-known Canadian cartoonist; founder of the weekly humorous paper "Grip" in 1873, and editor and artist of same till 1892. An expounder of the philosophy of Henry George. (Page 86.)

BULMAN, WILLIAM JOHN, Winnipeg.—President, Bulman Bros., Ltd., Winnipeg; president, Canadian Manufacturers' Association; originator of the Imperial Home Union Association. (Page 236.)

BURGESS, C. H., Toronto.—Of C. H. Burgess and Company, bond house; has contributed interesting bond price comparisons to several annual numbers of "The Monetary Times." (Page 160.)

CAMBIE, CHAS., London, Eng.—Manager, Canadian Bank of Commerce, London, Eng.; entered service of that bank in 1887; assistant manager in Toronto for 2 years; appointed manager at Ottawa in 1911, and at London, England, in 1915. (Page 39.)

COATS, R. H., F.S.S., Ottawa.—Dominion Statistician; formerly editor of Labor Gazette (Department of Labor, Ottawa); author of "Wholesale Prices" and other volumes on commodity prices. (Page 19.)

CORBETT, H. L., Ottawa, Ont.—For fifteen years was an accountant in business in Ottawa; entered the civic service as accountant in the Water Works Department in 1899, in 1907 was appointed city accountant, and in 1913 city treasurer of Ottawa. (Page 162.)

CRONYN, HUME, M.P., London, Ont.—General manager, Huron and Erie Loan and Savings Company and the Canada Trust Company; president of the Dominion Mortgage and Investments Association. (Page 98.)

DAVISON, J. REGINALD, Vancouver, B.C.—Publicity and industrial commissioner for the city of Vancouver; graduate in Arts of the University of Toronto; ex-president of the Central Alberta Development League; British Columbia director of the Pacific Northwest Tourist Association. (Page 234.)

DONNELLY, PATRICK, Vancouver.—Formerly president and general manager Canadian Financiers Trust Company; long engaged in insurance and loan business in different parts of Canada. (Page 226.)

ECKARDT, H. M. P., Toronto.—Formerly in Canadian banking service; writer on banking and finance in leading journals; author of "Manual of Canadian Banking Practice" (published by "The Monetary Times"), and of "A Rational Banking System." (Page 33.)

EDMUNDS, W. L., Toronto.—A prominent writer for over 25 years on financial and commercial subjects; born in England in 1859, Mr. Edmunds came to Canada in 1873; now a free lance journalist and correspondent for a number of British and American papers. (Page 266.)

ELWORTHY, F., Vancouver, B.C.—Secretary, Vancouver Board of Trade. (Page 258.)

EVANS, H. M. E., Edmonton.—Formerly mayor of Edmonton, Alta., until the end of 1918, when he retired. (Page 148.)

FILE, L. K., Toronto, Ont.—A graduate of Toronto University, a Fellow of the Institute of Actuaries, a Fellow of the Actuarial Society, and assistant actuary of the Canada Life Assurance Company. (Page 173.)

FULLERTON, A. L.—Manager, Dominion Securities Corporation, London, England. Mr. Fullerton graduated as a gold medallist at Victoria College, Toronto, in 1905 and entered the service of the Dominion Securities Corporation that year; November, 1913, went to London, England, as manager of their branch there. (Page 152.)

GILBERT, GEORGE, Toronto.—Editor of the Insurance Bulletin, Toronto; an authoritative writer on insurance topics. (Page 176.)

GRAHAM, J. H. CASTLE, Toronto, Ont.—Born Florence, Ontario, 1892; graduated in Arts, McMaster University, in 1915, specializing in political economy. Appointed in 1915 to position of corresponding secretary of the Life Underwriters' Association of Canada; in 1917 received the appointment of general secretary and treasurer. (Page 194.)

GROSCH, S. P., B.A., LL.B., Regina.—Commissioner, Local Government Board of Saskatchewan; formerly city solicitor, Regina. (Page 114.)

HAYWARD, M. L., Hartland, N.B.—Born in Carleton County, 1877; graduated B.C.L. at King's, Windsor, N.S., in 1905; admitted as an attorney of the New Brunswick Supreme Court in 1905, and called to the bar in 1906; has practised at Hartland ever since. (Page 180.)

JACKMAN, W. T., Toronto, Ont.—Assistant professor of political economy in the University of Toronto; has specialized in transportation; recently published a two-volume work on transportation in modern England. (Page 78.)

LANGSTAFF, M. P., A.I.A., F.A.S., Waterloo, Ont.—Actuary of the Dominion Life Assurance Company of Waterloo; member of Institute of Actuaries of Great Britain and of the Actuarial Society of America. (Page 212.)

LEWIS, GEORGE F., Toronto, Ont.—Deputy fire marshal for the province of Ontario; formerly with the T. Eaton Company, Limited, and later in the manufacturing business. (Page 216.)

LEWIS, R. G., Ottawa, Ont.—A graduate of the Faculty of Forestry of Toronto University, 1912; since that year has had charge of the collection, compilation, and publication of statistics of forest products for the forestry branch. Went overseas in October, 1916, with the Canadian Engineers, and transferred to the Forestry Corps in March, 1917. (Page 256.)

LITTLE, R. D., Sterling Bank, Toronto.—Born in Liverpool, England, in 1886; after four years with the Bank of Liverpool and 2½ years with the Chartered Bank of India, Australia and China, came to Canada in 1909 and entered the service of the Sterling Bank. (Page 41.)

LYE, HENRY, Vancouver.—Well-known fire insurance adjuster; frequent contributor to "The Monetary Times"; celebrated his eighty-fourth birthday last year. (Page 208.)

McEACHERN, D., London, Ont.—Assistant secretary, Huron and Erie Mortgage Corporation and Canada Trust Company; elected Canadian director of Financial Advertisers' Association at the convention of the Associated Advertising Clubs of the World held at San Francisco, July, 1918. (Page 96.)

MAHON, W. F.—Head of the firm of W. F. Mahon and Company, bond dealers, Halifax, N.S.; formerly with F. B. McCurdy and Company and the Eastern Securities Company. (Page 152.)

MARSHALL, HON. DUNCAN McLEAN.—Commenced newspaper career in Maritime provinces; later moved to Edmonton, Alta., where he became editor and manager of the Daily Bulletin; a member of the Rutherford government as minister of agriculture; reappointed to the same office in October, 1910. (Page 268.)

MOORE, J. P., A.I.A., Montreal.—Well-known actuary life underwriters; secretary, Mutual Life and Citizens' Assurance Company, Limited, with branch at Montreal. (Page 220.)

MORLEY, G. W., B.A., Toronto.—Formerly secretary of Canadian Bankers' Association; banker and barrister; has written many important articles on banking topics; recently opened a law office in Toronto under the name of G. W. Morley and Company. (Page 35.)

MULVEY, THOMAS, K.C., Ottawa, Ont.—Under-secretary of State for Canada; barrister in 1889, K.C. in 1902; he was assistant provincial secretary for Ontario, 1903-1909. (Page 109.)

ORR, W. H., Toronto.—Associated with the Toronto office of the Aetna Life Insurance Company; formerly a newspaper editor and reporter; has an unusually expert knowledge of the life insurance business based on 53 years' experience. (Page 206.)

OSBORNE, PROFESSOR W. F., Winnipeg, Man.—A member of the faculty of the University of Manitoba, with which he has been associated for twenty-five years. (Page 85.)

PARSONS, S. R., Toronto.—President of the British American Oil Company, Limited, oil refiners, Toronto; past president of the Canadian Manufacturers' Association; chairman of the Ontario board of directors of the Canadian Fire Insurance Company of Winnipeg; member Dominion Labor Appeal Board, etc. (Page 233.)

PARTON, JOHN, Winnipeg.—Chartered accountant; member of firm Webb, Read, Hegan and Company; admitted Institute of Chartered Accountants of Manitoba 1909, became president 1917; president Dominion Association of Chartered Accountants 1918-1919. (Page 118.)

PATTON, M. J., Ottawa, Ont.—Graduate in Arts at Queen's University in 1909, with the degree of M.A.; became assistant-secretary of the Commission of Conservation when it was organized in 1910; in 1913 went to Toronto, returning again to the Commission of Conservation in 1917. (Page 92.)

REXFORD, I. P., Montreal, Que.—Manager of the Crown Trust Company; in September, 1915, enlisted for active service and after nineteen months' service, of which four months were spent in France, returned to civilian life. (Page 94.)

RIFE, RALEIGH S., New York, N.Y.—Graduated at Doane College in 1909; took three years of post-graduate study in economics at Cornell and Princeton universities, holding graduate fellowships in each university; became connected with the statistical division of the bond department of the Guaranty Trust Company of New York. (Page 156.)

ROBINSON, J. M., Montreal, Que.—Senior member of the firm of J. M. Robinson and Sons, of Montreal and St. John, N.B.; a member of the Montreal Stock Exchange. (Page 77.)

SHAUGHNESSY, LORD, F.R.C.I., K.C.V.O., Montreal, Que.—Chairman of the board of directors of the Canadian Pacific Railway Company and a director of the company's allied lines; he joined the company in 1882 as general purchasing agent, and became president in 1899, from which position he resigned last September. (Page 228.)

SHORTT, PROFESSOR ADAM, C.M.G., M.A., LL.D., Ottawa.—Noted speaker, author and economist; chairman of the board of historical publications; formerly a civil service commissioner. (Page 75.)

SKELTON, OSCAR D., Kingston, Ont.—Professor of political economy, Queen's University, Kingston, Ont. (Page 108.)

SMART, W. A., Regina, Sask.—Manager, the British Crown Hail Underwriters, Limited; manager, hail insurance department, the Eagle Star and British Dominions Insurance Company; vice-president of the Canadian Hail Underwriters' Association. (Page 174.)

SMITH, C. V., Regina, Sask.—Entered the financial business in 1907 with the Great-West Permanent Loan and Savings Company, of Winnipeg; in 1910 became accountant of the Saskatchewan Mortgage and Trust Corporation then in process of formation; elected manager and secretary of that company in 1911. (Page 90.)

STEVENS, H. H., M.P., Vancouver.—1904 to 1908, chief accountant and secretary of large trust, loan and mortgage company; 1908, opened offices as public accountant, auditor and financial broker; in spring of 1918, together with Senator Shatford, organized the company of Shatford-Stevens, Limited, importers and exporters, of which he is president and Hon. L. W. Shatford is vice-president and managing director. (Page 102.)

STIRLING, J. T., Edmonton, Alta.—Came to Alberta about ten years ago from Scotland, where he was engaged as a mining engineer; he has been with the provincial government of Alberta for the last nine years and at present holds the positions of Chief Inspector of Mines for Alberta, Fuel Administrator for Alberta, and chairman of the Workmen's Compensation Board for Alberta. (Page 238.)

STOKES, CHARLES W., Montreal, Que.—Native of London, England, engaged in newspaper work; entered Canadian Pacific Railway's European organization; later, moved to Calgary, in Canadian Pacific Railway's department of natural resources; now assistant general publicity agent of company, Montreal. (Page 231.)

SWANSON, W. W., M.A., Ph.D., Saskatoon.—Educated at Oshawa High School and Queen's University; received the gold medal, and graduated M.A., 1905; graduated Ph.D. at University of Chicago, 1908; associate professor of economic science, Queen's University, 1908-1916; now professor of political economy, University of Saskatchewan; author of "The Establishment of the National Banking System." (Page 21.)

TAYLOR, J. FRATER, Toronto, Ont.—Aberdeen Scot by birth; came to Canada ten years ago to represent English financial interests; has been particularly identified with the Lake Superior Corporation group of industries, succeeding the late Mr. T. J. Drummond as president; prior to coming to Canada Mr. Taylor spent some time in Madras, India, where he took part in the successful operation and reorganization of the Madras railways on behalf of the bondholders. (Page 244.)

TAYLOR, SIR FREDERICK WILLIAMS, LL.D., Montreal.—General manager, Bank of Montreal; formerly manager of the same bank in London, England; one of the most distinguished bankers on this continent. (Page 40.)

THAYER, IRA B., Toronto.—Senior member of the firm of I. B. Thayer and Son, Toronto, chief agents in Canada for the Travelers' Insurance Company of Hartford, Conn.; an underwriter of wide experience in Canada and foreign countries. (Page 182.)

THOMSON, JOHN STUART, Jersey City, N.J.—Oriental explorer and author, prominent as a propagandist of many international movements for the past eighteen years; born and educated at Montreal, but is a United States citizen; author of many books, including "China Revolutionized," "The Chinese," etc. (Page 28.)

WHITE, JAMES, Ottawa.—Assistant to chairman and deputy head of the Dominion Commission of Conservation; unusually conversant with the extent and possibility of Canadian resources. (Page 100.)

WILLISON, SIR JOHN, Toronto, Ont.—President of the Canadian Industrial Reconstruction Association; originally with the "London Advertiser," November, 1882, whence he passed to the Toronto "Globe," September, 1883; was editor-in-chief of the Toronto "News" in 1902; appointed correspondent in Canada for the "London Times" in 1910. (Page 116.)

WINTEMUTE, P. A., Calgary.—Manager, southern Alberta, Manufacturers Life Insurance Company; born Haldimand County, Ontario; moved to Buffalo, 1892, remaining there as a salesman until 1903, when he went west; farmed for three years and entered the life insurance business, 1906, with the Manufacturers Life Insurance Company. (Page 210.)

WYNNE-ROBERTS, R. O., M.Inst. C.E., F.R., San. Inst.—A well-known English consulting engineer practising in Canada; took a prominent part in furthering the movement in Regina for central authority to supervise municipal loans; frequent contributor to the "Monetary Times." (Page 84.)

YORATH, C. J., Saskatoon.—City commissioner of Saskatoon; born in Wales, is civil engineer and is a member of the Institute of Civil Engineers of Great Britain and Canada; is the author of many brochures on municipal subjects, and has recently prepared a thesis and community plan illustrating a national solution of the housing problem. (Page 154.)

Index to Advertisements

	PAGE
Addressograph Sales Company, Toronto	265
Alberta (Financial Statement)	155
Alberta Flour Mills, Limited, Calgary	149
Alberta (Province of)	241
Alberta-Saskatchewan Life Insurance Company, Edmonton	193
Alger and Company, W. Ross, Edmonton	161
Ames & Company, A. E., Toronto	6
Atlas Assurance Company, Montreal	195
Bank of Hamilton, Hamilton	51
Bank of Montreal, Montreal	32
Bank of Nova Scotia, Toronto	47
Bank of Ottawa, Ottawa	61
Bond and Debenture Corporation of Canada, Limited, Winnipeg	169
Brandon (City of)	267
British-America Assurance Company, Toronto	219
British Columbia Electric Railway Company, Vancouver	239
British Northwestern Fire Insurance Company, Winnipeg	219
British Traders Insurance Company, Limited, Toronto	201
Browne & Company, W. Graham, Montreal	74
Burgess & Company, C. H., Toronto	145
Butler, Byers Brothers, Limited, Saskatoon	145
Calgary (City of)	261
Canada Life Assurance Company, Toronto	177
Canada National Fire Insurance Company, Winnipeg	195
Canada Security Assurance Company, Calgary	203
Canada Standard Loan Company, Winnipeg	169
Canadian Bank of Commerce, Toronto	45
Canadian Bond and Mortgage Corporation, Winnipeg	145
Canadian Financiers Trust Company, Vancouver	71
Canadian Guaranty Trust Company, Brandon	69
Canadian Northern Railway	251
Canadian Pacific Railway	249
Capital Trust Corporation, Ottawa	69
Colonial Trust Company, Victoria	71
Commercial Union Assurance Company, Limited, Montreal	193
Confederation Life Association, Toronto	183
Consumers' Gas Company, Toronto	253
Crown Trust Company, Montreal	65
Daly & Company, R. A., Toronto	141
Department of Colonization and Development, Canadian Pacific Railway, Calgary	245
Dominion Bank, Toronto	49
Dominion Gresham Guarantee and Casualty Company, Montreal	271
Dominion Life Assurance Company, Waterloo, Ont	209
Dominion Loan and Securities Company, Limited, Winnipeg	157
Dominion Securities Corporation, Limited, Toronto	1
Donnelly, Patrick, Vancouver	143
Eagle, Star and British Dominions Insurance Company, Limited, Toronto	191
Edmonton (City of)	257
Empire Loan Company, Winnipeg	165
Employers' Liability Assurance Corporation, Toronto	199
Excelsior Life Insurance Company, Toronto	183
Farmers Fire and Hail Insurance Company, Lethbridge	203
Graham, Sanson & Company, Toronto	141
Glens Falls Insurance Company, Glens Falls, N.Y.	273
Great West Permanent Loan Company, Winnipeg	169
Great North Insurance Company, Calgary	207
Great-West Life Assurance Company, Winnipeg	189
Greenshields & Company, Montreal	143
Guardian Assurance Company, Limited, Montreal	199
Hamilton Provident & Loan Society, Hamilton	157
Harris, Forbes & Company, Inc., Montreal	2
Home Bank of Canada, Toronto	65
Hanson Brothers, Montreal	161
Imperial Bank of Canada, Toronto	57
Imperial Canadian Trust Company, Winnipeg	63
Imperial Guarantee and Accident Insurance Company, Toronto	195
Kern Agencies, Limited, Regina	165
Lethbridge (City of)	243
London and British North America Company, Limited, Vancouver	165
London & Lancashire Fire Insurance Company, Toronto	215
London & Lancashire Guarantee and Accident Company, Toronto	215
London and Lancashire Life and General Assurance Association, Limited, Montreal	1
London Guarantee and Accident Company, Limited, Toronto	207
London Life Insurance Company, London, Ont.	213
London Mutual Fire Insurance Company, Toronto	217
Mackenzie & Kingman, Montreal	157
Mahon and Company, W. F., Halifax	145
Manitoba Farm Loans Association, Winnipeg	167
Manitoba, Province of (Financial Statement)	147
Manufacturers' Life Insurance Company, Toronto	201
Merchants Bank of Canada, Montreal	61
Mercantile Trust Company of Canada, Hamilton	65
Merchants Casualty Company, Winnipeg	193
Meredith & Company, Limited, C., Montreal	113
Monarch Life Assurance Company, Winnipeg	189
Montreal City and District Savings Bank, Montreal	63
Moose Jaw, City of (Financial Statement)	151
Mutual Life and Citizens' Assurance Company, Limited, Montreal	215
Mutual Life Assurance Company of Canada, Waterloo, Ont.	181
Nay & James, Regina	161
National Trust Company, Limited, Toronto	53
Nesbitt, Thomson & Company, Limited, Montreal	143
New Brunswick (Province of)	263
Northern Life Assurance Company, London, Ont.	219
Northern Mortgage Company of Canada, Winnipeg	167
Northern Trusts Company, Winnipeg	67
North Western Life Assurance Company, Winnipeg	213
Norwich Union Fire Insurance Society, Limited, Toronto	211
Nova Scotia (Province of)	237
Ocean Accident and Guarantee Corporation, Limited, Toronto	205
Osler & Hammond, Toronto	117
Osler, Hammond & Nanton, Winnipeg	117
Palatine Insurance Company, Montreal	193
Pemberton and Son, Vancouver	149
Prudential Insurance Company of America, Newark, N.J.	179
Quebec, Province of	247
Regina, City of (Financial Statement)	122
Robinson & Sons, J. M., Montreal	159
Royal Bank of Canada, Montreal	43
Royal Exchange Assurance, Montreal	185
Royal Financial Corporation, Limited, Vancouver	153
Royal Securities Corporation, Limited, Montreal	115
Saskatchewan General Trusts Corporation, Limited, Regina	65
Saskatchewan Life Insurance Company, Regina	213
Saskatchewan Mortgage and Trust Corporation, Limited, Regina	67
Saskatoon, City of (Financial Statement)	163
Saskatoon Mutual Fire Insurance Company, Saskatoon	203
Sovereign Life Assurance Company of Canada, Winnipeg	197
Standard Bank of Canada, Toronto	53
Standard Reliance Mortgage Corporation, Toronto	119
St. Cyr, Gonthier & Frigon, Montreal	159
Sterling Offices, Limited, London, England	187
Sterling Trusts Corporation, Toronto	69
Sun Life Assurance Company of Canada, Montreal	172
Temiskaming and Northern Ontario Railway Commission, Toronto	239
The Molsons Bank, Montreal	55
Toronto General Trusts Corporation, Toronto	55
Traders Trust Company, Limited, Winnipeg	51
Union Bank of Canada, Winnipeg	59
Union Insurance Society of Canton, Limited, Toronto	201
Union Trust Company, Limited, Toronto	69
United Grain Growers Securities Company, Winnipeg	139
Vancouver, City of	255
Vancouver Financial Corporation, Limited, Vancouver	159
Victoria, City of	259
Waterloo County Loan and Savings Company, Waterloo, Ont.	157
Western Agencies and Development Company, Calgary	141
Western Assurance Company, Toronto	209
Western Empire Life Assurance Company, Winnipeg	199
Western Life Assurance Company, Winnipeg	197
Western Mutual Fire Insurance Company, Didsbury, Alta.	203
Winnipeg, City of	222
Winnipeg Electric Railway, Winnipeg	235
Wood, Gundy & Company, Toronto	12
Yorkshire and Canadian Trust, Limited, Vancouver	71

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JAS. J. SALMOND
President and General Manager

A. E. JENNINGS
Assistant General Manager

JOSEPH BLACK
Secretary

W. A. McKAGUE
Editor

Address: Corner Church and Court Streets, Toronto, Ontario, Canada.
Telephone: Main 7404, Branch Exchange connecting all departments.
Cable Address: "Montimes, Toronto."
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Retrospect and Prospect

PEACE and rumors of peace disturbed the economic atmosphere in Canada during the last six months of 1918. At first the signs were only vague. The return of peace became little more than a mere certainty of the future, and business men of Canada exercised their judgment as to how far the event was distant. The news received during October produced the conviction that the time was near at hand, and when hostilities ceased on November 11th, plans had already been made for the future. Midsummer saw our war organization at its fullest development; by the end of the year "reconstruction" was already under way. This is the most rapid change that has taken place in Canada, and it is fortunate that political events developed as gradually as they did, else the industrial climax would have been more severe. The cancellation of war orders and the discharge of large numbers of soldiers, coincident with a falling off in the whole scale of prices, would have set on foot a retrograde movement in industry which might have been quite disastrous.

Our primary industries have once again demonstrated their worth, all branches achieving a distinct advance during the year. This has been the result of the joint stimulus of high prices and patriotic endeavor, and, regardless as to which has been the most important, the results are entirely satisfactory.

Agriculture.

This has been accomplished, so far as agriculture is concerned, in spite of the labor shortage, by the application of as much as possible of the available labor and by the further utilization of working capital in the form of improved machinery. The advantages of country life, it may be remarked, have steadily gained in comparison with those of the city, and that tendency of population to move from country to city has ceased for the present.

Considerable change has taken place in Canadian agriculture during the last two or three years. The west no longer confines itself exclusively to wheat-growing, but has taken up mixed farming. A tendency towards a more intensive cultivation is also appearing there. In Ontario and Quebec, on the other hand, the tendency has been towards the collection of a larger area of land in the hands of a skilled farmer with a view to the production of live stock and dairy products. The latter style of farming involves the investment of large capital and many employees and places agriculture more an a plane with manufacturing industry.

Both British Columbia and the maritime provinces have prospered, owing to the high prices. In both cases agricultural production has been possible where formerly the remuneration would not have been sufficient. There is no question but that, in spite of high profits through war orders in manufacturing industries, agriculture has benefited most of all as a result of the war conditions, for evidence of which the pronounced tendency towards the repayment of farm loans is a good indication. Sir Lomer Gouin, in his message to *The Monetary Times* this year, says that Quebec has maintained the greatest stability during the war period, and that this is the result of the predominance of agriculture in that province.

A provisional estimate of the yield of cereal crops, prepared by the Dominion Bureau of Statistics, is as follows:—

Field crops. Canada—	1917. Bush.	1918. Bush.
Fall wheat	15,363,450	6,960,200
Spring wheat	218,379,400	203,355,400
All wheat	233,742,850	210,315,600
Oats	403,009,800	456,733,900
Barley	55,057,750	83,262,500
Rye	3,857,200	10,375,500
Peas	3,026,340	4,384,700
Beans	1,274,000	3,937,400
Buckwheat	7,149,400	11,469,600
Flax	5,934,900	7,695,000
Mixed grains	16,157,080	32,303,000
Corn for husking	7,762,700	6,946,200

Mining.

The Canadian mines, with the exception of gold mines, have had a good year. In the case of gold mining, as is well known, the value of the product does not rise in proportion to the cost of the factors in production, and the margin of profit has, therefore, been continually reduced until, in the case of all except the best mines, it has disappeared entirely. A bonus for this industry has been proposed, and has, of course, received support from all gold miners. This agitation has, however, been unsuccessful, as most people take the view that to forcibly augment the production of gold would be to still further raise the price level, and the costs of production would be increased in proportion. It is a very likely thing that the present marks a minimum of prosperity in gold mining, for, with the return of the movement towards lower prices, the industry will prosper.

In our production of iron, copper, silver, cobalt and other metals the principal difficulty has been the shortage of labor. Orders for all metals have, of course, been large, owing to their use in the manufacture of war materials. There is now a prospect that this demand will be maintained, though in lesser degree, through foreign orders and for domestic works, which have been delayed owing to the financial stringency of the past few years. The mining industry promises to be one of the most elastic in absorbing the labor supply which will shortly be found in Canada.

Fishing.

The transportation facilities for exporting Canadian fish have been interfered with during the last two years, and the market, therefore, has been more restricted than usual. An effort has been made by the Canada Food Board to stimulate the use of fish in Canada. This has been to some extent successful, and has resulted in a saving of classes of food which could be exported to England and France.

The British government has purchased the British Columbia salmon output and a considerable portion of the other fish products of Canada. A steady market is assured for Canadian fish, and the industry can be developed extensively, provided that the natural resources are not depleted. This has already happened in the case of the lobster fisheries in the maritime provinces, and the restoring of the fisheries is an expensive process. There is as yet, however, no indication that the sea fisheries have been utilized to their fullest extent.

Forestry.

Measured in terms of dollars and cents, the year has been an exceptional one in the Canadian lumber industry; this has been great, however, only at the expense of natural resources. As these have been used up in excess of the new growth, the demand for forest products has been unusually good; prices have been high, and the only handicap has been the shortage of ocean shipping to fill the export demand.

Probably the most notable event in forestry has been the use of British Columbia spruce for the manufacture of aeroplanes. Wood with the peculiar qualities necessary for aeroplane manufacture had previously been obtained in the States of Washington and Oregon. When the United States entered the war in March, 1918, however, this supply was required for her own manufactures. Consequently, the Imperial Munitions Board, the body which had charge in Canada of purchases for the British government, had to search for other supplies. It happened that the Commission of Conservation had just completed a survey of British Columbia's resources, and, upon this being consulted, the necessary timber was located. The result has been that this valuable resource has been depleted, though with justification, but none the less with injurious results.

The pulp and paper situation has remained much as in 1917. Canada still enjoys almost a monopoly of the trade with the United States, owing to the cutting off of paper from Scandinavian sources. As a consequence, our pulp and paper exports have reached unprecedented figures.

Transportation.

As one of the great essential industries, railroad transportation and its problems have loomed large in the economic sphere during the past year in Canada. Unification and state control or ownership has been to the fore not only in Canada, but also in the United States, Great Britain and Australia. Canada took a distinct step in the direction of national ownership in buying the Canadian Northern Railway, a system greater than all the other Canadian government roads combined. For a short time it was operated as a separate system; then it was combined with the Intercolonial, Prince Edward Island Railway and the other government roads under a single board. The aim, according to the government, is to operate them as an independent concern, subject, like the other roads, to control by the Dominion Board of Railway Commissioners. One step in this direction was taken just a few days ago, when the management announced that the privilege, extended to civil servants, of travelling over the Canadian government roads at half fare, would be immediately withdrawn.

Steps have also been taken to acquire the Grand Trunk Railway, but thus far without success The English shareholders have sunk much real money in the Grand Trunk, for which only an insignificant return has been received. They do not feel like sacrificing the assets which now represent their investment. Mention has also been made of acquiring the Canadian Pacific. This, however, is an entirely different problem, for it is a successful, well-paying road, which does not need to look for government assistance. The shareholders would be averse to parting with their investments, and a high price would be necessary. Moreover, at the present time, even if people could be convinced that it was wise to acquire the Canadian Pacific, they would not be inclined to assume such a large addition to the national debt.

In the sphere of ocean shipping the Dominion government has also commenced a programme, and the first government vessel was launched early in December at Montreal. Contracts for forty-three vessels have been placed thus far, amounting to over $50,000,000. Unfortunately, these were placed during a period of maximum prices, and the oulook is, therefore, that the government system will have great difficulty in meeting its fixed charges when it has to compete with shipping services which are equally efficient but capitalized at a smaller sum. There has grown up in Canada a mushroom shipbuilding industry which has been able to make good prospects owing to the extraordinary demand for shipping. There seems to be no chance whatever of this business surviving under the stress of the superior competition of the shipbuilding works of Great Britain.

In the spring an increase in rates of 15 per cent. was granted to all Canadian railroads, in view of the increased costs of operation. With the Canadian Northern, the Grand Trunk, and the Grand Trunk Pacific this advance was necessary for existence; the Canadian Pacific did not

require it, however, and special taxation of this road was provided with a view to depriving it of any profit resulting from this measure.

Public Utilities.

It is probably a safe statement that public utility companies have never passed through such a trying or difficult period as the past year. The increased costs of operation were apparent before 1914 and have advanced rapidly since that date to a maximum this year. At the same time, revenues were in most cases fixed for a considerable time, and, if they could be altered at all, this could only be done with the permission of the municipality. To obtain this permission was a difficult and slow process. In many cases, however, it has been done, though in each case there has been a great deal of difficulty with the municipality. This same situation, however, has effected a demonstration of the identity of interest between an industry and its employees. In the case of the Winnipeg Electric Railway, for instance, the employees had, as citizens, to submit to an advance of fares in return for the increase in their own wage scale.

Owing to the rapid development of some of our cities while the high rates prevailing in the money market have restricted extension of works, the public utilities enterprises in many cases are now considerably behind municipal growth. Extensions in street railway lines and new equipment are required in most cities. Gas and electric light plants are capable of further development. It is obvious that if an adequate return is not received by bondholders and shareholders the future development of these enterprises is going to be jeopardized. Private ownership of such enterprises has demonstrated its efficiency, and has shown that under careful regulation it will be sufficiently elastic to meet the changing conditions of municipal life. These companies must not be starved into submitting to acquisition by the municipality. Nothing is gained in the end by hampering their developments until they come into the public hands and then expend lavishly upon them in disregard of debt and deficit.

There are, on the other hand, many instances of successful public ownership and operation. These cases, however, are almost invariably in our smaller cities, where the standard of municipal life is higher than in our larger cities.

The water powers of Canada, so far as they have been developed, have proved of immense value. The undeveloped resources should be speedily put to use. This, at least, is one natural resource which is not exhausted by being developed.

Manufactures.

This has been one of Canada's great years in manufactures. The iron and steel industry, pulp and paper, munitions and textiles, have all made great strides. War orders placed by the Imperial Munitions Board continued until early in December. This organization made purchases in Canada totalling altogether over $1,000,000,000. With the present arrangement, by which the Canadian government has $200,000,000 to place to the credit of foreign governments, it is quite likely that a considerable part of our industrial activity will for some months to come be the result of the war.

A rather acute situation has arisen regarding the tariff. Agricultural organizations in Canada have grown rapidly during the past few years, and it is announced, both in east and west, that political action will be taken. Any extensive reduction in the tariff would result in serious injury to our manufacturing industries, very few of which could maintain themselves upon a basis of free international competition. The growth of our cities has been due, in a large degree, to their development as manufacturing centres, and the result would undoubtedly be great hardship to municipalities of this kind.

Trade.

For the fiscal year ended December 31st, 1918, Canada piled up a substantial balance of trade in her favor. This cannot, of course, be kept up, as the forced restriction of imports must go with the end of the war, and our export of war materials has virtually ceased. The balance for the present fiscal year will probably be favorable, but not in nearly so great a degree as last year. In considering Canada's trade relations it must be remembered that we are a debtor nation, and in order to maintain our existing relation we must export more than we import in order to pay the interest on our obligations. It is extremely desirable, therefore, that a favorable balance be maintained for some years to come until a portion of our indebtedness is cancelled, or until the natural growth of the country lowers the relative importance of that debt.

Insurance.

General opinion is that the year 1918 has been the worst year on record in the history of modern life insurance. This is the result of the unusually heavy losses arising from war casualties on the one hand and deaths from influenza on the other. In many cases the full mortality rate will be experienced, something which has never happened before. The war casualties were almost as large as last year, and the addition of the deaths from influenza brought about the unprecedented result. Expenses of management have, at the same time, increased. On the other hand, good investments have been available at much more favorable rates than was ever the case before with life insurance companies in Canada. An unusually large proportion of life insurance funds have, therefore, been invested in government and municipal bonds, with the result that this branch of the business has been placed upon a higher plane.

In fire insurance losses have also been extraordinarily high. The addition of the whole financial and business community in Canada has now been directed to our heavy fire losses and methods for preventing them. It is uncertain yet as to whether the remedy will be found through individual initiative, through fire insurance companies or by government action. Experiments have already been made with both of the latter. The province of Ontario and the western provinces have organized fire prevention departments, and, in the case of Ontario and British Columbia, fire prevention leagues have been formed to cooperate with the fire marshal. As has already become evident, fire insurance losses do not fall merely upon the insurance companies, for these merely fix their rates according to the losses, and the premium payer, in turn, regards his insurance as an element in the cost of production. Accordingly, whether the insurance is paid on private dwelling or on industrial plant, the loss finally falls upon the consumer.

The results in the hail insurance business are reported to be quite satisfactory, but the municipal funds did not come out very well. Accident policies have become increasingly liberal, and the field between life and accident insurance has been gradually narrowed. Workmen's compensation insurance remains in an unsettled

state; a uniform basis for provincial action has not been discovered, nor on the other hand has the view that government entrance into this branch of insurance is advisable, been generally dispelled.

Banking.

Canadian banks had a great deal of trouble in handling the 1917 Victory Loan, and about thirty thousand subscriptions had not been filled in midsummer of 1918. The arrangement for the second Victory Loan was an improvement, as immediate delivery of definitive bonds could be met without resort to the expedients of interim certificates and temporary receipts.

Figures illustrating the extension of banking deposits, etc., will be found in the banking section of this issue. Changes are, in point of size, remarkable. The growth in circulation is undoubtedly due to the higher scale of prices, the continuance of employment and general business activity. There is also a tendency for payments to be made in currency rather than by cheque, owing to the stamp tax on the issue of cheques, and to the desire of the banks, owing to the shortage of staff, to restrict as far as possible the use of cheques. Deposits, which had fallen off by about $100,000,000 on account of the first Victory Loan, increased each month until December. In this month, however, the payments were made on account of the second Victory Loan, and a substantial falling off resulted. The banks were, moreover, called upon to assist investors in the second Victory Loan, while at the same time they had to provide funds for ordinary branches of industry.

Two important amalgamations took place during the year; the Royal Bank and the Bank of Montreal absorbed the Northern Crown Bank and the Bank of British North America, respectively. This reduces the number of Canadian banks to nineteen, and eliminates two more of the smaller ones.

The following statement of deposits illustrates the changes in this branch of banking during the past fourteen months:—

	Deposits payable on demand.	Deposits payable after notice.
1917—September ...	$451,749,532	$ 965,393,541
October	495,058,449	985,790,850
November	538,869,362	1,008,657,874
December	569,441,871	995,978,013
1918—January	559,777,237	900,314,256
February	565,266,642	908,822,988
March	561,042,236	921,080,803
April	558,509,221	933,644,668
May	535,655,731	947,757,337
June	549,327,078	965,934,556
July	549,068,651	992,015,137
August	554,906,517	1,014,711,865
September	588,940,119	1,037,498,920
October	644,220,998	1,076,514,627
November	666,366,359	939,329,271

The principal figures contained in the November bank statement, issued a few days ago, are as follows:—

	Nov., 1918.	Nov., 1917.
Reserve fund	$ 111,125,000	$ 114,046,753
Note circulation	234,982,978	196,135,810
Demand deposits	666,366,359	538,869,362
Notice deposits	939,329,271	1,008,657,874
Deposits outside Canada	221,299,711	175,645,013
Current coin	83,776,756	83,179,731
Dominion notes	182,212,720	165,515,157
Deposit central gold reserve	$ 131,500,000	$ 91,120,000
Call loans in Canada..	85,675,063	72,173,345
Call loans outside	171,035,732	139,832,552
Current loans in Canada	1,082,709,655	868,973,714
Current loans outside..	110,010,815	95,954,524
Total liabilities	2,547,798,723	2,078,101,230
Total assets	2,783,641,297	2,320,270,985

Labor.

Labor and its relations with capital has come in for an unusual amount of discussion during the year just ended. Thus far, no single satisfactory method of adjustment has been discovered in Canada. The number of strikes was somewhat larger than usual and shows no tendency to diminish. A Labor Appeal Board has been constituted under the Department of Labor. This board is composed of representatives of labor and of manufacture, presided over by a judge, and has sat successfully upon several cases which have been referred to it.

Another of the developments of the year was the organization of labor bureaus in all provinces under the general direction of the Department of Labor at Ottawa. This work is merely being commenced and the results are so far uncertain. There is much agitation that all private employment agencies should be done away with, and that the government should act not only as a universal labor bureau, but should also use this machinery to adjust industrial conditions by restricting or increasing the supply of labor.

The alliance of labor has been solicited in the tariff dispute between the agricultural and the manufacturing interests. In this case labor is placed in a difficult position. On the one side is the movement for a lower tariff, which means lower prices and a lower cost of living. On the other side is the maintenance of that production which has built up those city industries upon which much of labor depends for its sustenance.

The Investment Field.

Capital has in most fields received an unusually good return; the yields on high-grade investments have been especially favorable, ranging from 5½ to 6½ per cent. There has, in fact, been practically no market for inferior securities.

A considerable total of municipal and provincial issues was floated up to midsummer of the year. Then, owing to the fact that the second Victory Loan was in sight, practically no new issues appeared on the market until the end of the year. The Victory Loan came upon a bare security market with a phenomenally successful result. Many provincial and municipal issues are now due, owing to delayed public works, refunding purposes and deficits on current account.

The view is held in many quarters that the period of high interest rates will continue. The grounds for this belief are the scarcity of capital, which will be the result of the heavy government borrowings, and the demand on the part of industry for its renewed peace development. It is, however, not the absolute quantity of money available which affects the interest rate, but rather the relation between the supply and the use to which it can be put. Regarding the second condition, while there will be considerable temporary demand for the materials of peace industry, it is more than likely that the heavy taxation which is now necessary will so restrict industry that the profits will not be attractive to investors

as compared with the yield on existing securities. This would result in a lowering of the interest rate, together with higher prices for bonds of unquestioned reliability.

Owing to the excellent industrial conditions prevailing during the year, Canadian savings totalled probably $800,000,000, an unprecedented amount. It may be many years again before such a figure is reached.

It has become evident that Dominion taxation cannot be lightened, as practically all that is being done now is the meeting of current requirements and the interest on the debt. It is not sufficient that we rely upon the growth in population and wealth for an automatic increase in revenue, but provision should rather be made for the reduction of debt, even under the most unfavorable circumstances.

The Outlook.

There has been much talk of developing our natural resources in connection with the work of reconstruction and the employment of all classes of labor. Our national emergency has, however, demonstrated the value of having some undeveloped resources. Canadian industry has proved much more elastic and has achieved more results than has that of any of the older countries whose resources are developed to a maximum or near a maximum. The possession of undeveloped resources gives an additional elasticity to a country's economic life and enables it at any time to increase production at the expense of capital or to assimilate surplus labor.

For similar reasons Canada should overcome the depression following the close of the war, quickly, as compared with older nations. It is not advisable that artificial prosperity should be maintained at the expense of natural resources. It has become apparent during the war years that the control of raw materials is an asset of the greatest value. The reconstruction maxim to be deduced from this fact would be that no development is to be favored which exhausts these to any great extent. Ample provision should be made for reforestation, as it has become evident that our use of timber has been rather prodigal. Agricultural lands in Canada are in very good condition, but the first crops, which are invariably the best, have already been reaped from all the best and most easily available land. The exhaustion of coal mines is, it seems, ultimately inevitable; but the use of coal can be minimized by a utilization of water powers, etc.

Immigration.

One of the most common grounds of optimism is the expectation that Canada will receive an enormous immigration during the next few years. This will, it is maintained, be required, as the number of soldiers returning is less than the average immigration into Canada from 1911 to 1914. As was pointed out recently by a prominent speaker in Toronto, however, we easily absorbed 350,000 per year during years of prosperity, but in years of depression we could not absorb any. There seems to be no question but that unusually large numbers will be attracted to Canada, not only as a result of the widespread information about Canada which has been conveyed to European countries, but also by reason of the pressure of economic conditions which is sure to result in Europe. Measures will very probably be taken by European nations to retain their industrious and wealthy citizens, but these will be the ones who will have most to gain by emigrating, and it does not seem probable that such classes can be forcibly retained. Canada itself will, however, have a heavy tax burden, and other countries, such as those of South America, may offer better opportunities to the prospective immigrant.

Assuming, however, that there is a large potenial immigration to Canada, it seems most likely that our industries will not be in a condition to absorb them and strict immigration laws will have to be enforced. These should be framed so as to exercise a rigid selection.

Greater Production Period is Over.

The war years have been marked by successive increases in volume of production; these have been the result, on the one hand, of increasing prices, and, on the other hand, of actual increases in volume of goods produced. The ensuing years will bring problems of distribution rather than of production, as a result of the lessening demand and decreasing prices. In addition to the essentials of economic life, we have been producing war supplies. What is now necessary is the production, in addition to the essentials, of those comforts which have become an integral part of civilized life. The demand for these is not so urgent as was the demand for war supplies.

Another important change in Canada's external relations has been in the sphere of finance. The successful raising of two large domestic war loans greatly enhances Canada's credit abroad, as it demonstrates that we do not borrow abroad because of inability to raise money at home, but rather because we have opportunities to use capital in excess of our local supply. It is expected that our previous relations with Great Britain, which have been interrupted since 1914, will very soon be resumed, and also that the sale of Canadian bonds in the United States, which increased rapidly during 1916 and the early months of 1917, will again be resumed to a considerable extent.

Our national and provincial finances, especially the former, have been through a period of severe strain, almost every convenient source of revenue having been utilized. Probably the most lasting expedient of the war period will be the Dominion income tax. This movement, as a whole, has resulted in considerable overlapping between the Dominion and provincial governments. A clear division of the field of revenue is required, and a conference between representatives of the Dominion and of the provinces recently discussed the subject. It is probable that income taxes will be purely a source of federal revenue instead of being also made use of by provinces and municipalities at the present time. Financial need is one of the most weighty arguments in favor of the retention of the tariff at present, and any proposal to reduce the scale of customs duties must be accompanied by a means of substituting for the revenue which has been raised in this way.

Our war expenditure has now amounted to well over $1,200,000,000, practically all of which has been added to the national debt. It is evident that the debt will, by the time the capital expenditure on war account is ended, total about $2,000,000,000, involving an interest charge of over $100,000,000. This is an enormous obligation for a country of less than eight million inhabitants, and the strictest economy in public finance will be essential for many years to come. The standard of living in Canada has always been exceptionally high, but with the increase in age and the general levelling of industrial conditions throughout the civilized world, it is probable that a lower standard will be essential here in spite of the rapid increase in the wage. Since 1914 the increase in the price level has been still more rapid, with the result that the general standard of living has unconsciously declined. It will probably remain at about its present level until such time as our new savings have been invested to a substantial total in a productive form of wealth.

Peace—Its Effect on Investments

With peace now assured, we may reasonably expect conditions to gradually return to a normal basis.

A comparison of present prices of high grade Bonds with those in existence before the War, is convincing evidence in favor of the purchase NOW of

Canadian Government and Municipal Bonds

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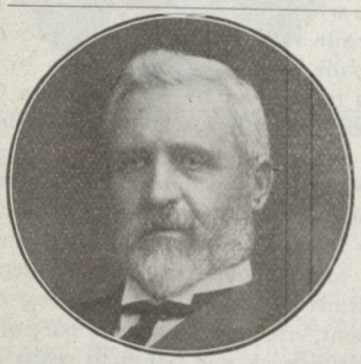
Canada's Premiers Write of the Outlook

Heads of the Provinces Tell of Past Developments and of Future Plans From Coast to Coast in Canada

BRITISH COLUMBIA



British Columbia

By
Honorable
JOHN OLIVER,
Premier

THE Province of British Columbia, while not in a position to boast of its prosperity, has signalized a gratifying advance in industrial activities during the past year. Among these activities the construction of ships, both steel and wooden, steam and auxiliary power, probably take first rank. The total tonnage of vessels placed in the waters during the period from January, 1917, to September, 1918, aggregates more than 175,000 tons dead weight. Since the last-mentioned dates contracts have been let for nearly fifty more vessels, a large proportion of these being let for foreign allied governments. Present activities in this industry would indicate that it now is firmly established in British Columbia and will be increasingly prosperous for a long period of years.

War requirements have given a great impetus to the lumbering industry, particularly in the matter of the production of spruce timber for aeroplane construction. The greater part of high grade lumber produced in British Columbia—outside of that used in aeroplane construction—is consumed in Canada, the difficulty having been to secure foreign markets with the embargo which had to be placed upon tonnage. But the spruce cutting alone for the year 1918, at September 30th, was 196,000,000 feet, 113,000,000 of which may be said to have been for aeroplane purposes.

Since last year control of the Pacific Great Eastern Railway has been taken over by the Government; this line of railway, extending from the Pacific Coast terminal at Squamish, operates a regular freight and passenger service as far as Clinton in the heart of the province—the distance is approximately 175 miles, but, since the assumption of control of the railway by the Government an extension of the line northward toward Prince George has been undertaken, provision having been made for the laying of steel as far as Soda Creek, where it will connect with water transportation for Northern British Columbia. This extension of the line will furnish transportation for an area in the heart of the province which is being settled and brought under industrial development which materially will assist and increase both agricultural and stock production within the province.

On Vancouver Island a section of the incompleted line of the Canadian Northern Pacific Railway is under construction. This will give continuous train service between Victoria and a point on Vancouver Island north of Cowichan Lake and afford facilities for the rapid moving of timber from the incomparable forests of the southern portion of Vancouver Island, as well as avoiding the hazardous towage of boom timber along the West Coast which formerly was necessary. The operation of this section of the railway also will stimulate agricultural settlement in the districts which it penetrates.

The Legislative session of 1918 attacked the problem of land settlement with studied resolution. Amendments to the Land Settlement Act of 1917 were passed empowering the Government, through its Land Settlement Board, to devote Crown Lands—or acquire by purchase where necessary other lands—for the establishment of settlement areas, machinery having been provided for the close settlement within such areas of both returned soldiers and desirable immigrants.

Special attention has been given by the Legislature and by the Government to the problems involved in the rehabilitation in civil life of men who have served their King and the Empire in the wars of the last four years. Certain areas have been designated, surveyed and organized with a view to furnishing adequate assistance, in addition to a free gift of land to returned soldiers who may desire to settle thereon. It is intended, also, that suitable areas in various sections of the province, comprising lands which reverted to the Crown under an Act of the Legislature of 1916, shall be set apart, preferably, for settlement by men who have served the Empire. A plan is being evolved for close co-ordination with the undertakings of the Federal Government in regard to the rehabilitation of returned soldiers. The main feature of the Act already in force is an agricultural credit provision to aid the returned soldier who takes up farming as his occupation by making him a long-term loan at a cheap rate of interest, with the first two payments deferrable. The Act provides also for loans to settlers for the acquiring of land, payment of incumbrances, improvements, erection of buildings, purchases of stock, machinery and equipment, and such other purposes as the Board may approve.

The Legislature approved last year, and the Department of Mines has put into effect, provision for the construction of trails to mineral properties thereby encouraging the development of mineral claims held by practical men of limited means. A more important provision, however, was an Act authorizing the Department of Mines to conduct drilling operations for the testing of mineral values on individual properties, and this work is now being carried on. Production in the metalliferous mining centres has varied, the increased cost in some districts having rendered unprofitable the working of mines to their full capacity. Notwithstanding the reduction in the output by the Consolidated Mining Company since July, the total mineral production for the year will exceed that of last year, while the coal and coke products

will be from twenty to twenty-five per cent. in advance of those for the year 1917.

In the agricultural industry the insistent demand for greater production has stimulated activities in farming communities and the advance in production has been appreciable.

In matters of commerce the province is limited somewhat by its restricted local markets, but, on the whole, commercial enterprise throughout the past year has been satisfactory, businesses being well established, conservatively conducted and free from the spirit of exploitation, thus laying the foundations of permanency and steady increase.

Generally speaking, the province is recovering from the debacle occasioned by the boom period before the war and the somewhat trying circumstances caused by the war itself. More than ever, the citizens in this province are inclined to rely upon individual industry, enterprise and economy for the success dependent upon persistent application to the business of the day. The tone of both industry and commerce is optimistic and sanguine.

J. Mc. Oliver

NEW BRUNSWICK

New Brunswick

By
Honorable
W. E FOSTER,
Premier

THE review of the year 1918, so far as the business conditions and prosperity of New Brunswick are concerned, is not possible in the space of a short article.

The very best evidence of conditions in New Brunswick, the prosperity of our people, is the ability they have shown to subscribe so generously for the funds required for the forces—Red Cross, naval, patriotic and Young Men's Christian Association—and also to take up, as they did in the last Victory Loan campaign, over seventeen million dollars worth of Victory bonds. This amount, together with that subscribed in 1917 and the subscriptions to the first war loan, altogether will total more than thirty millions of dollars, or more than three times the net public debt of New Brunswick. This shown financial ability can only be accounted for by the prosperity of the province in every activity and the efforts of our farmers. They have excelled themselves in their energetic methods to increase production of the land, and, as it were, found themselves, and realized that it is not impossible to grow enough wheat to provide for our own necessities.

I has often been said that lumber is the chief product of New Brunswick, but that is becoming less true every year. Our coal areas, small as they are compared with those of other provinces, have undergone a wonderful development, and thousands of tons of coal are mined now where only hundreds were produced before.

The fisheries, too, have made remarkable progress. Improved vessels and modern methods have had to do with this, and, as in other industries, the war has taught our fishermen that the old methods should be superseded by better machinery, swifter vessels and improved transportation.

One of the events which has marked the year 1918 is the change in the railway situation in this province. Many of the branch roads, owned almost wholly by private parties, have been taken over by the Canadian Government Railway system at a time when it was almost impossible for private enterprise to continue successful operation. These railways are now under the control of the Dominion Government Railway system. Their improvement is bound to follow, and when all of them, including the St. John and Quebec Railway, otherwise known as the Valley Railway, which is now being completed by the government, are taken over as part of the railway system, New Brunswick will begin to really reap the advantages that were looked forward to when private and public enterprise undertook the construction of these short but necessary and most convenient transportation lines.

Many ships were launched from the shores of New Brunswick during the last year, some of them the result of private enterprise, but a few like the "War Fundy" at St. John, being built by government expenditure.

There is a bright prospect that the harbor development at Courtney Bay, St. John, which was begun in 1911, will be continued now to completion. The new contract has been let and many workmen are busy extending and completing the magnificent breakwater and excavating for one of the largest drydocks on the continent.

It might be noted in connection with the success of other lines of activity the remarkable efforts put forth by the munition manufacturers and the assistance they have lent towards supplying the needs of the military authorities. Their work is about done, and the labor of thousands so employed must be directed into other and more peaceful channels. The cessation of hostilities, the approach of a peace treaty, the return of our soldier boys from the overseas fronts, and the increased energy they will lend to all pursuits, the great demand for raw material and the necessity for improved ports for its transportation and the organization and improvement of our main and branch railways, are all bound to provide an abundance of opportunity in New Brunswick which her people will not be slow to avail themselves of.

W. E. Foster

NOVA SCOTIA

Nova Scotia

By
Honorable
G. H. MURRAY,
Premier.

THE widespread call for increased production of farm products during the past year was answered willingly by the farmers of Nova Scotia. A larger acreage was prepared for planting, and despite unfavorable weather conditions excellent crops of roots and grain were harvested. The hay crop was light and the apple production somewhat less than in the previous year. All farm products are, however, bringing remunerative prices and all in all the farmer has had a successful season.

The output of coal has again fallen short owing to the continued scarcity of labor and the lack of adequate transportation. The patriotic spirit manifested by the coal miners of Nova Scotia must ever be remembered by the lovers of liberty. At the outbreak of the war they flocked to the colors, and although their enlistment meant that one of the most important industries of the province would be handicapped, the need of fighting men was such that no restraint was attempted. We are now looking forward to the release of these workers at the earliest date possible.

Ten fishing vessels and one steam trawler was sunk by submarines and the fishing trade in general obstructed. In the face of this interference, however, the catch of fish was equal to that of 1917. Markets have been very firm, with prices considerably higher than those of the previous year.

The domestic lumber trade was confined largely to the supply of necessary material for the construction of houses at Halifax. With the exception of the West Indies the foreign market was inactive. Stocks throughout the province are light and preparations are in progress for a heavier cut during this winter.

In manufacturing, the steel plants were kept fully occupied during the year with orders for steel suitable for war material. Now that this work will be largely discontinued there will be opportunity for the manufacture of steel to fill regular mercantile needs. This domestic demand will, it is believed, maintain present activities. In other manufacturing lines business was reasonably active and some preparations are in progress for an enlargement of present operations.

Nova Scotia faces the reconstruction days of peace with the same steadfast adherence to duty that she exhibited during the testing times of war.

G. H. Murray

PRINCE EDWARD ISLAND

Prince Edward Island

By
Honorable
A.E. ARSENAULT
Premier

NOTWITHSTANDING that the past season was remarkably cool and cloudy, with much less sunlight than is usual, our farm crops grew well and were harvested in good order. The scarcity of farm labor, which was greater even than in any previous year, owing to the absence of many who had gone to war, was a serious draw back, but the number of acres in crop was approximately equal to that of last year and quite as valuable. The total value of all field crops, dairy products, eggs, poultry and animals sold and slaughtered, would, in view of the prevailing high prices, equal that of last year's production, which was then estimated at an average of $1,300 for each of our 14,369 farms.

The production of our fisheries was somewhat below the average of previous years in quantity, owing to the scarcity of labor and other causes, but was in large part compensated by higher prices obtained.

The silver black fox industry remains in much the same condition reported last year. It is now chiefly dependent for income from the sale of pelts, with some sales of breeding stock to buyers in the United States, Norway and Japan. It is hoped that with the return of peace and normal trade conditions a much larger number of our numerous ranch companies may shortly resume the payment of dividends.

Prince Edward Island did not share in the profitable production of war munitions and supplies, excepting in food stuffs, but contributed generously of her best blood to the great war and of her money to the Patriotic Fund and to the various war loans and charities, while her losses in killed and wounded, from the beginning of the war down to its close were not fewer in proportion to population than those of the other Provinces of Canada.

The successful operation of the car ferry connecting this province with the mainland has proved to be a great boon to our people. It gave us for the first time continuous communication with the outside world during the entire winter past, and may be assumed to assure us like service in future years. The broadening of the gauge of the P.E. Island Railway to the standard gauge of the continental railways, which is the necessary complement of the ferry service, is now in progress and is hoped to be completed shortly between Charlottetown, Summerside and Borden. We may hope this improvement will soon be extended to the entire system.

The bulk of our population which is dependent upon farming were never more prosperous than they are to-day. The exceptions are the salaried and professional classes and persons with limited incomes, upon whom the high cost of living imposes an increasing burden. Trade is

good, money plentiful, and with the return of peace and the coming back of our brave boys from the war front, the prospects of Prince Edward Island for the coming year and for the future were never brighter.

A. E. Arsenault

SASKATCHEWAN

Saskatchewan

By Honorable W. M. MARTIN, Premier

THE year 1918 has been the greatest in the history of the world. It is the year which has seen the onward march of democracy. It is the year in which the democratic and free nations of the world crushed military autocracy and made it possible to create conditions out of which we hope a lasting peace will be secured.

There is one thing, however, which should be remembered, and that is, that, while the attempt to establish in the world the doctrine that might is right has failed, and while Germany has been completely overthrown, still there are many problems yet to be dealt with, and accordingly we cannot look for an early return to normal conditions.

Eastern Europe and Asia present many serious questions. It will require wisdom, patience and forethought on the part of the British, French and American peoples, for on them will rest the responsibility of restoring the world to prosperity and to the pursuit of the arts of peace. It is to be hoped that the spirit of mutual confidence and goodwill which now inspires these nations will continue during the peace negotiations and ever after, for only by concerted action on their part will the most permanent peace be secured.

The problem of dealing with the countries of south-eastern Europe is a most perplexing one. These countries have always constituted a group of quarrelsome states and have been a menace to the peace of a whole continent. They cannot be allowed to continue under the old conditions. The problem is really one belonging to Austria, but her conduct in dealing with it has brought most unfortunate results. It is for the victorious nations to evolve a policy which will prevent the recurrence of disturbances in this portion of Europe.

Russia is in a state of revolution and is a danger to Europe. No man can tell what the future of this vast country may be, but how an empire, whose people, owing to the kind of government which has always prevailed there, have been rendered entirely unfit to participate in responsible government, can be restored to order and sanity is a problem, the solution of which will require the exercise of the wisest statesmanship. At the present time no solution appears in sight, but one must be found.

One of our greatest problems is that affecting the starving population, not only of Russia, but of all the countries which have suffered by reason of the war. The unrest in all these countries will be increased by starvation, and it will be the duty of food-producing countries to meet the situation by production.

The need of production was great a year ago. It will be great, if not greater, during the coming year. The armies must be fed until demobilization is complete —and that will take a long time. Famine must be prevented until the peoples of Europe are able to feed themselves. A decline in food prices need not be expected for some time to come. The war has reduced the world's wheat production almost by one-half, and it will require time to regain the pre-war aggregate..

Optimism, however, should be the characteristic note, because there should be a gradual evolution towards a better state of affairs. During the last four years the path has been marked by devastation, famine and all kinds of suffering which only war can bring about. The course of the world, however, has started upward again, and, while the results of warfare will be with us for many years to come, still encouragement will come from time to time as the general situation gradually improves.

W. M. Martin

ONTARIO

Ontario

By Sir WILLIAM HEARST, Premier

DURING the past year the Province of Ontario experienced one of the most active and most prosperous periods in its history. Notwithstanding the fact that over 200,000 Ontario men enlisted in the Canadian Forces during the war, the leading industries of the province,—agriculture, mining and lumbering and manufacturing were maintained at a high level of production.

The area of field crops of Ontario his year aggregated little less than ten million acres, exceeding that of 1917 by 261,000 acres. At least three spring crops established new records for the province in the matter of yields, oats, barley and spring wheat being all very much above the average. There was a decrease in the hay yield of 20 per cent. compared with the two previous years, which were, however, both exceptional. One of the most notable features of agriculture was the injury to the fall wheat crop

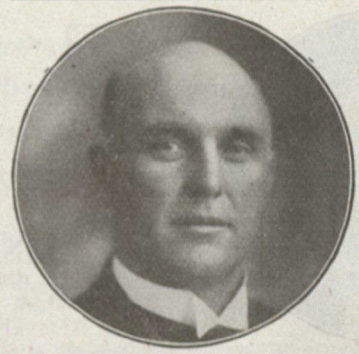
during the winter, resulting in the heaviest loss for many years. Farmers naturally turned to spring wheat following this set-back and the acreage of that crop increased to 351,423 acres, as compared with 144,305 acres in 1916. This season proved most favorable and heavy yields were general, the total of spring wheat being 8,290,689 bushels. The corn crop turned out well despite poor prospects in the early part of the growing season. Root crops were good except the potato yield, which was below the average. No reliable estimate can yet be made of the value of the 1918 field crops. The market value of the 1917 crop was placed at $333,691,563, which was more than double the pre-war figures of 1913.

The effect of the war was to greatly increase the demand for many of the mineral products of the province and to raise the price of all of them except gold. The figures for 1918 are not yet available, but the total value is likely to prove about the same as that of 1917 when the mineral production of Ontario was $72,000,000, an increase in value of $7,000,000 over the previous year. The production of gold, nickel and copper this year will amount to about the same as 1917; the yield of silver will be less than last year, but the value will be greater. A gratifying feature in the mining industry of Ontario is the increasing tendency towards making finished and semi-finished products within the province, instead of merely selling the raw materials. The establishment of the refining plant at Port Colborne, capable of turning out 10,000 tons of nickel per annum, and a corresponding quantity of copper, is a marked advance in Ontario's development. Eighty-five per cent. of the silver produced at Cobalt now leaves Ontario in the form of merchantable bars.

The shortage of labor and the abnormally high price of supplies here naturally handicapped the development of the immense timber resources of the province. The lumbering industry has been active during 1918, however, and it would not appear that the annual cut has suffered greatly in quantity. The demand for pulpwood continues to be fairly keen and the pulp industry seems to be in a flourishing condition. Ties have been in active demand, and the even lower grades of lumber have been bringing an unusually high price.

These three main sources of wealth,—agriculture, mining and timber,—I have referred to specially because they come most directly within the sphere of the Provincial Government. Mention should also be made of the unprecedented activity of those manufacturing industries that have been engaged on war supplies during the past year.

At the present time we are standing on the threshold of a new era of re-establishment and re-construction that must follow the war. In connection with the cessation of munitions industries and the return of our brave troops, there will no doubt be problems to solve and difficulties to face. But when one considers the achievements of Ontario in connection with war efforts, and views the rich and varied resources that await development within our great province, one is encouraged to regard the immediate future of Ontario with confidence and hopefulness. Our progress and development during the past few years have been wonderful, but my view is that the near future will witness growth and advancement which will far surpass anything in our past history.



ALBERTA

Alberta

By Honorable C. STEWART, Premier

ALBERTA made a mighty effort this year to do her part in the great struggle that monopolized the energies of the nation. With greatly reduced labor force in all industries, a serious shortage of farm help, more land was sown, a greater area of new land broken for next year, more coal was mined, more butter, beef and pork produced than in the previous year. Such a result was rendered possible only by intelligent organization, direction of the man power and the increase of machine power, and the concentration of both on the essential industries of the province and the war.

The call for increased production was loyally answered from the government to the smallest agricultural society and farmers' organization.

The only disappointing result of the year's operations has been the quantity of grain harvested. The province suffered from drouth in some parts and from the worst frost in thirty-six years. Both frost and the dry weather came at critical times in the growing and ripening seasons. The result has been to temporarily displace Alberta from the first place in average grain yields for Canada and the western States. The crops, however, are by no means a loss. Competent measures were promptly taken by the stockmen in the dried-out portions of the province to utilize the crops of the frosted areas for fodder. The outcome has worked excellently to the advantage of the farmer and stockmen.

The total volume of annual wealth or the income of the people as a whole will fall little short of the banner year of 1917. The farmers are by no means downhearted and are making energetic preparations for next season.

The province continues to advance in live stock and dairying. Money is being made in amounts that enabled the farmers—in fact, all classes—to have sufficient surplus to invest over $18,000,000 in Victory bonds, beating the record of 1917.

There is a great increase in the number of improved farm buildings and homes. The increasing, and in some sections one might say, the universal use of the motor, has transformed rural life and made it more attractive than the city.

We look forward to 1919 with hope and confidence, and we are preparing to welcome the thousands of our Alberta regiments, the flower of the manhood of the province, back to their homes, and to do our part in establishing them in civil life and give them a new start in the world they helped to save from barbarism and tyranny.

QUEBEC

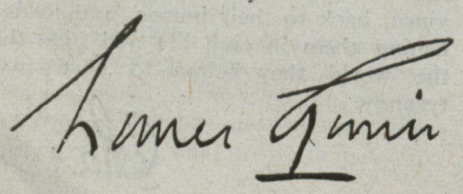
Quebec

By
Sir LOMER GOUIN
Premier

AGRICULTURE has always served as a basis for determining a country's prosperity. Wherever agriculture flourishes, other industries have a good chance of succeeding. The Province of Quebec has remained chiefly agricultural, notwithstanding that it is being more or less deserted in its rural districts—a social evil, that we are not alone in deploring, and which the war has aggravated. There is no doubt that the agricultural class is passing through a golden period. Never was the law of supply and demand more favorable to it, and never did farm products bring a higher price. At the request of public authorities, our farmers made a meritorious and a considerable effort to increase their crops last season. They made it, not only through interested motives, but also through a desire to comply with the duty that was expected of them. They supplemented the scarcity of farm help by extra work in which women and children heartily joined. The results have been most satisfactory, and if the Province of Quebec is richer by a big crop yield, the Allies will no doubt be the first to benefit.

Since I am on the topic of agriculture, permit me to add that never were our farmers better prepared and equipped for the greater production effort. During the last ten years at least, the Government over which I have the honor to preside, has given careful and particular attention to the study of agricultural problems and needs. Agricultural instruction has undergone a transformation. The farmer has no longer to go away from home to acquire it; it is almost brought to his door. Agricultural co-operation is being considerably developed. In a word, agriculture is a flourishing industry with us; our farmers are prosperous and their prosperity contributes to that of the entire province.

Now that the Allies have succeeded in conquering and crushing the German Colossus and that our dear and heroic soldiers are to come back to us triumphant, we must endeavor to accustom them to civil life again and provide them with situations. The Quebec Government will be happy to provide with free land those who wish to devote themselves to agriculture, and also to aid them in other ways. They have deserved well of their country and we can never forget the services they have rendered to the cause of civilization and humanity.



MANITOBA

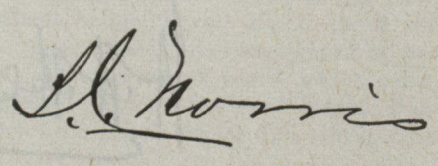
Manitoba

By
Honorable
T. C. NORRIS,
Premier.

SINCE writing to *The Monetary Times* a year ago on the outlook for the province of Manitoba for the year 1918, it has been my privilege to visit the Canadian battlefront in France. No message at this time on the prospects for the immediate future could, for that reason, be disassociated from an expression of the profound impression received of the wonderful achievements of the Canadian army in battle and in the no less important work "behind the lines." It is from personal experience that I am moved to speak of the glorious record of the rank and file who have given us new and just cause for pride in the name Canadians.

The sudden and unexpected collapse of the German resistance to the onrush of the allied armies has brought us face to face with after-war problems on much shorter notice than any had dared to hope for. Whatever these problems may be—their full extent has yet to be learned—Canada will meet them with the same confidence and determination as those of war itself. Speaking for Manitoba, I can promise that this province will be found to measure up to every necessity and every requirement. Our prospects were never brighter. We have been favored with another good year. Our basic industry, agriculture, has not only been prosperous, but has laid broader and improved foundations for the future; every other avenue of trade industry reflects the prosperity and content of an industrious people.

The outlook for the future is, in the opinion of many qualified observers, wrapped up in the return of our fighting men from the fields of ruthless struggle to the accustomed walks of peaceful life in a country that has never really known war. Of the hundreds of thousands of our best who went forth on the call of duty, many have paid the supreme sacrifice, and many have come back or will come back to us maimed and more or less unfitted to take their former places in the upbuilding of our young nation. But the great percentage will come back better men than they went away. It is my conviction, borne from my observation of great numbers whom I had known here and whom I was fortunate to see again "over there," that these men, having passed through the training and the ordeals of war, will return with new ideas, better equipped than ever for the duties of citizenship, and that they will be a greater asset than ever to Canada, and especially to the Canadian West.



National Wealth and Income of Canada

Methods of Estimating Wealth and Income — Total Wealth of Canada Near Seventy Billions — Income Probably Two and One Half Billions—Methods Adopted in Other Countries and Results Reached

BY R. H. COATS

BACK of the entire reconstruction and rehabilitation problem stands the financial problem: how can we produce and save sufficient surplus wealth to liquidate the obligations of the war. That we have also still to liquidate a good many of the obligations incurred during the decade of "boom" preceding the war—the fundamental or governing factor in which was our flotation of nearly three billions of foreign loans for industrial equipment—adds to the task.

The problem, of course, depends on the nature and extent of the national wealth and income. Our information on the point is rather out of date, especially in view of the revolutionary rise in prices and values during recent years. Nevertheless, as demands are being increasingly made for an appraisement of the kind, it may be of interest to throw together some rough figures and estimates based on the latest data available.

Methods of Estimating National Wealth.

Several methods are employed by statisticians in estimating the national wealth of a country. The two most commonly in use are, first, the so-called "inventory" method, which consists of totalling the amounts known through the Census and other inquiries to be invested in agriculture, manufactures, dwellings, etc., etc.; and second, the method of working back through income tax returns to the capital from which the income is derived—a method available only in countries where incomes are rather thoroughly appraised for taxation purposes; as yet we have nothing of the sort to work upon in Canada. A third method is the estimation of wealth from probate returns. Still another is termed the "Census" method; it is perhaps the best of all, as it is based on a canvass of the individual, but it has peculiar difficulties, though it has been applied successfully within the past three years in Australia.

Inventory of the National Wealth of Canada.

Attempting the first of the above mentioned methods, we may bring together in the accompanying table (Table I) the various items which are usually taken as representative of the national wealth. The figures are from various sources, but are based in large part on the Census and other materials in the Dominion Bureau of Statistics. Several of them contain a considerable element of estimate, but they are perhaps as near as they can be brought with the data now in hand.

It is inexpedient within the space of the present article to explain the method by which each item in the table is arrived at. In view, however, of the importance of the item "current agricultural production" (fifth from the bottom in the table), the manner in which the estimate is arrived at is shown in a

Table I.—Inventory of the National Wealth of Canada.

Items.	Estimated Present Value.
Agriculture—Improved lands	$2,792,229,000
Buildings	927,548,000
Implements	387,079,000
Live stock	1,102,261,000
Fishing—Total capital invested	47,143,125
Mines—Value of buildings and plant	140,000,000
Manufactures—Plant and working capital	2,000,000,000
Railways	2,000,000,000
Street Railways	160,000,000
Canals	123,000,000
Shipping	35,000,000
Telegraphs	10,000,000
Telephones	95,000,000
Real estate and buildings in cities and towns (based on assessments of 140 localities)	3,500,000,000
Clothing, furniture and personal effects	800,000,000
Coin and bullion—Held by Receiver General	119,000,000
Specie in banks	82,000,000
Value of token currency	7,500,000
Imported merchandise in store	250,000,000
Current production—Agriculture	1,621,028,000
Fishing	39,000,000
Forestry	175,000,000
Mining	190,000,000
Manufacturing	2,400,000,000
Total	$19,002,788,125

Table II.—*Estimated Gross Total Value of Agricultural Production in Canada, 1915, 1916 and 1917.

	1915.	1916.	1917.
Field Crops	$825,371,000	$886,495,000	$1,144,637,000
Farm Animals:			
Horses exported	1,842,000	4,701,000	4,385,000
Beef cattle, 20 p.c. of estimated total value	30,500,000	41,300,000	54,119,000
Sheep, 20 p.c. of estimated total value	3,262,000	4,200,000	7,115,000
Swine: Number, plus 16 p.c. for animals born and slaughtered within the year, 125 lb. meat per animal (1915, 8½ cents per lb.; 1916, 12 cents per lb.; 1917, 17.33 cents per lb.)	38,354,000	60,000,000	90,950,000
Wool: 12 million lb., 28 cents, 1915; 37 cents, 1916; 59 cents, 1917	3,360,000	4,440,000	7,000,000
Factory cheese and creamery butter	51,482,000	62,479,000	74,487,000
Dairy butter: Quantity estimated on basis of Census, 1911; price, 25 cents per lb. in 1915; 27 cents per lb. in 1916; 30 cents per lb. in 1917	45,000,000	47,000,000	103,072,000
Home-made cheese: Quantity estimated on basis of Census of 1911; price, 15 cents per lb. in 1915; 18 cents per lb. in 1916	278,000	351,000	263,000
Whole milk: Quantity estimated in Census Report of August 23, 1917; price at 6 cents per quart, 1915 and 1916; 7.5 cents per quart, 1917	49,245,000	42,986,000	55,000,000
Fruits and Vegetables, say	35,000,000	35,000,000	40,000,000
Poultry and Eggs, say	35,000,000	35,000,000	40,000,000
Gross Total Value	$1,118,694,000	$1,223,952,000	$1,621,028,000

*The above estimates represent the gross value of field crops and animal products and take no account of the use of a product as a material for other production nor of the costs of production.

second table (Table II), which may have an intrinsic interest independently from its present bearing.

It will be found that Table I adds up to a total of over nineteen billion dollars. There is, however, some overlapping among the items which would reduce this considerably. For instance, the item "Real estate and buildings in cities" reproduces a part of the item "Plant" under the heading "Manufactures." The statistics given to current manufacturing production in the final item of the table also fails to take into account the repetition of the value of raw materials in the addition of such items as wheat, flour, bakery products, etc., and of such items as iron ore, pig iron, steel ingots, bars, wire, etc., etc. It is thought that between sixteen and seventeen billions would be an outside figure to set down as the total capital invested in Canada.

Probate Returns.

The estimating of wealth from probate returns has never been attempted here. In Ontario, in 1915, in which the number of deaths was 33,294, the probate returns amounted to $64,363,201.25. This would work out at over fifteen billions for the Dominion.

The National Income.

As above stated, we have nothing in Canada corresponding to the data yielded by income tax administration in Great Britain, and it will be some time before the want is supplied. The method accordingly of estimating national wealth from income tax, made familiar in the Old Country by Sir Robert Giffen (land being capitalized at 26 times its annual yield,

Table III.—Incomes of those on Salaries and Wages.

	—Reported—		
	Number.	Ttl. Earnings.	Average.
Males	1,124,383	$666,478,400	592.75
Females	243,174	76,142,200	313.12
Total	1,367,557	$742,620,600	543.10
	—Estimates—		
	Number.	Earnings.	
Males	203,947	$120,887,200	
Females	56,769	17,775,500	
Total	260,716	$138,662,700	
	—Total—		
	Number.	Earnings.	
Males	1,328,330	$787,365,600	
Females	299,943	93,917,700	
Total	1,628,273	$881,283,300	

houses at 15 times, railroads at 28 times, etc., etc.) is not possible here. In the Census of 1911, however, every individual on salary or wages was asked to state his or her total earnings during the preceding year. A question of this kind, requiring the exercise of memory, and in many cases involving calculation, does not always yield satisfactory information. The results, however, may be briefly analyzed:

Replies were received in the case of 1,367,557 of age 15 or over (1,124,383 male, 243,174 female), their total earnings being $742,620,600, an average of $592.75 for each male and $313.12 for each female. For some 260,716 additional individuals on salaries and wages (203,947 male, 56,769 female) the information was not useable. Estimating for these, however, on the same basis, additional earnings of $138,662,700 are shown, or a grand total of $881,283,000 (see Table III).

Table V.—Estimate of the Private Wealth of Australia as at 30th June, 1915, based on the Inventory Method of Estimation.

Class of property.	Amount.
Land and improvements	£1,105,637,000
Live stock	100,391,000
Agricultural, dairying and pastoral implements and machinery	22,799,000
Manufacturing plant and machinery	40,040,000
Mining properties (including plant and machinery)	41,319,000
Coin and bullion	44,379,000
Private railways and tramways	11,735,000
Shipping	13,331,000
Agricultural and pastoral products	59,465,000
Locally manufactured products	54,347,000
Mining products (other than gold)	2,354,000
Imported merchandise	31,782,000
Clothing and personal adornments	14,851,000
Furniture and fittings, books, pleasure vehicles, etc.	77,087,000
Total	£1,619,517,000
Mean population for 1915	4,950,200
Private wealth per head	£327

The above accounts only for those on wages and salaries. There remains to estimate for persons operating on their own account, whose earnings take the form of profits, professional fees, etc. First, as to their number; the total male population in 1911 was 3,821,995, of whom 1,198,175 were under 15 years of age. Deducting the latter, and also the total males on salaries and wages as above, the remainder, 1,295,490, represents the number on their own account, a total including Indians and Eskimos and a certain proportion of dependents. Of females operating on their own account no record has been compiled, but their numbers would doubtless bring the total to 1,300,000.

As to the income of these, no estimate is possible. It would seem natural to place it higher per capita than that of the salaried and wage-earning class. At $800 per year, the total would be over $1,000,000,000. Altogether a national income approaching two billions would seem a not unfair estimate for 1911. The rise in wages and prices would probably bring this to $2,400,000,000 in 1918.

Other Countries.

Statistics of the above kind have their interest enhanced by comparison with other countries. The results of the

Table IV.—Estimates of Wealth of United States for 1912, 1904 and 1900.

Form of Wealth.	1912.	1904.	1900.
Total	$187,739,071,090	$107,104,192,410	$88,517,306,775
Real property and improvements taxed	98,362,813,569	55,510,228,057	46,324,839,234
Real property and improvements exempt	12,313,519,502	6,831,244,570	6,212,788,930
Live stock	6,238,388,985	4,073,791,736	3,306,473,278
Farm implements and machinery	1,368,224,548	844,989,863	749,775,970
Manufacturing machinery, tools and implements	6,091,451,274	3,297,754,180	2,541,046,639
Gold and silver coin and bullion	2,616,642,734	1,998,603,303	1,677,379,825
Railroads and their equipment	16,148,532,502	11,244,752,000	9,035,732,000
Street railways, etc.:			
Street railways	4,596,563,292	2,219,966,000	1,576,197,160
†Telegraph systems	223,252,516	227,400,000	211,650,000
Telephone systems	1,081,433,227	585,840,000	400,324,000
Pullman and cars not owned by railroads	123,362,701	123,000,000	98,836,600
Shipping and canals	1,491,117,193	846,489,804	537,849,478
Irrigation enterprises	360,865,270		
Privately owned waterworks	290,000,000	275,000,000	267,762,468
Privately owned central electric light and power stations	2,098,613,122	562,851,105	402,618,653
All other:			
Agricultural products	5,240,019,651	1,899,379,652	1,455,069,323
Manufactured products	14,693,861,489	7,409,291,668	6,087,151,108
Imported merchandise	826,632,467	495,543,685	424,970,592
Mining products	815,552,233	408,066,787	326,851,517
Clothing and personal adornments	4,295,008,593	2,500,000,000	2,000,000,000
Furniture, carriages and kindred property	8,463,216,222	5,750,000,000	4,880,000,000

(†) Includes wireless systems.

"inventory" method as applied to the United States and Australia by their respective Census Offices are brought together in Tables IV. and V.

For other countries the available figures are less definite and up to date. In the case of Great Britain several estimates have been made in recent years. In 1903 Sir Robert Giffen placed the total at £15,000,000,000, using the income tax returns as basis. The wealth of Canada he estimated at the same time as £1,350,000,000, and that of the British Empire as a whole as £22,250,000,000. The figures for Great Britain were criticized as high at the time, but certainly the estimates of Messrs. Harris and Lake and of Sir Bernard Mallet, based on probate returns shortly after, were much too low. Sir Leo Chiozza Money in 1908, using the method of capitalizing incomes, arrived at a total of £13,762,000,000, or nearly $70,000,000,000, confirming Giffen. In the same year Edmond Thery estimated the national wealth of France at $55,000,000,000, whilst Karl Helfferich in 1910-11 placed that of Germany between $70,000,000,000 and $75,000,000,000. The Statistical Year Book of Prussia for 1913 stated the wealth of that state alone as $28,500,000,000.

Canada's Financial Future

No Need For Pessimism as to Outlook For Our Industry and Trade—Achievements of War Have Developed Our Capacity For Production—Great Britain Will Soon Have New Capital, Part of Which Can Be Used By Canada.

By W. W. SWANSON

CANADA'S economic future depends upon the skill, foresight and determination with which the problems of readjustment are attacked. Pessimists are to be found in all nations, affected by the war, predicting panics, industrial depression and a prolonged period of business lassitude following upon the fever induced by the world war. If the right measures be taken, however, and the same intense activity exhibited in industry and agriculture, as has been displayed during the war, there is no reason whatever to believe that the volume of Canada's trade will be diminished in any particular, or that employment for the country's productive labor power will not be assured. Indeed, it may be said that, although a crisis will have been reached in the industrial life of the nations with the termination of hostilities, it need not be either acute or prolonged. The transformation from the activities of peace to the industrial work of war presented far more serious obstacles than those that lie in our path at the present time; and concerted action, determination and wise leadership will remove these as they overcome the others.

With the entrance of the United States into the conflict Canada was thrown upon its own financial resources, although the nation had been cut off from accustomed supplies of capital practically since the declaration of war. At the outbreak of hostilities the Dominion owed abroad, principally to the United Kingdom, a sum estimated by Sir George Paish at not less than $3,000,000,000. At the time of writing the results of the last Victory Loan are not available, but if the maximum of $500,000,000 is reached the country will have an outstanding bonded indebtedness, on war account alone, of not less than $1,250 000,000, the interest upon which will absorb $67,000,000 of the annual income of the people. Add to this $30,000,000 on pensions account, and it will be seen that the people of Canada must hand over to the government at least $100,000,000 before they begin to take up the burden of other necessary, normal, national expenditures. This has been sufficient to cause alarm in certain quarters, especially in view of the fact that immigration has been practically at a standstill since 1914, and the population of the country even reduced on account of war losses in Europe. Nevertheless, a survey of the whole situation, in its economic aspects, gives firm ground for confidence that Canada's record in the next decade will surpass anything achieved in its past history.

Canadian Banks are Sound.

The chartered banks have never been in such a strong position, nor reflected greater prosperity in the country as a whole. The September report shows demand deposits of $588,840,119, and deposits after notice of $1,037,498,920, with current loans of $942,802,018. Contrast this situation in the banking field in the Dominion with that in the United States. In the republic credit is strained to the limit, the banks belonging to the Clearing House Association of New York City alone showing outstanding loans of $700,000,000 in excess of deposits. During the past few months hundreds of millions of dollars in rediscounts have been effected through the Federal Reserve banks, indicating clearly enough that the industrial burden on war account, together with the last huge Liberty Loan, presses heavily upon the financial fabric of the United States. When it is recalled that, during the year 1919, with the prolongation of war, contracts to the extent of $15,000,000,000 were to have been completed in the United States, it becomes perfectly clear what a truly colossal task has confronted American finance,—especially in view of the past reliance of the republic upon the United Kingdom for heavy supplies of capital to aid in the development and exploitation of the resources of the nation.

Relatively, too, the financial power of the Dominion, the burden on account of war contracts has been equally great in this country. The chartered banks, however, have achieved conspicuous, even brilliant success, both in supporting Canadian industry and in aiding in the financing of the various war loans. Although Canada, not so much from necessity, but as a matter of prudence, was obliged to suspend specie payments at the outbreak of hostilities, there has never been, even for a moment, any doubt or suspicion attaching to the soundness of the paper currency of the government or of the chartered banks. It is well to recall that the banks of Canada achieved this triumph at a period when Brazil, Chile and the Argentine, not directly affected by the war, passed through a severe financial and currency crisis.

Fundamental Industries Have Made Good.

The maintaining of the country's credit on a safe and sound basis has been made possible by the prodigious efforts put forth by the nation in manufacturing and in agriculture. The figures for the year ending March 31, 1918, showed a total external trade of $2,500,000,000, yielding a favorable balance of $500,000,000—a remarkable achievement in view of the exigencies of war and the balance against the nation at the outbreak of hostilities. During the same period the total exports of manufactures amounted to $636,000,000, and of agricultural products to $700,000,000. The data available at present indicate that Canada had a total trade for the twelve months ending September 30, 1918, of $2,298,498,609, comprising exports of $1,401,570,772, and imports of $897,128,857. Agricultural exports were well maintained, amounting to $652,000,000, while manufactured goods were exported to an amount approximating $580,000,000. The decrease in the Dominion's external trade may be accounted for in part by the deflection of British shipping for the transportation of American troops to Europe, and in part to the falling off in the agricultural output of the West. Nevertheless, these figures disclose amazing economic progress and prosperity in the country, all the more significant that the nation has endured four years and more of the strain and dislocation of business caused by war.

Labor Conditions Have Improved.

It is imperatively essential to maintain the external trade of the country at its present high volume if the economic future of Canada is to be made secure. Labor, whether in the factory, the mine, or on the land, has achieved a high standard of living during the course of the war, and has greatly augmented its purchasing power In general, it may be said that

high wages are a result, and not a cause, of efficiency; but at the same time it cannot be denied that the general level of prosperity reached by Canadian labor has greatly stimulated its efficiency and increased its productive power. Farming in the West, owing to the high prices of food products, has been lifted from the experimental and pioneer stage, and has taken a long step forward toward self-sufficiency. It is nothing short of marvellous that Saskatchewan, a province heavily in debt at the outbreak of hostilities, has been able, not only to protect invested capital in urban and rural centres, but to come to the support of the various war loans with millions of dollars. Notwithstanding the falling off in crop production in the prairie provinces during 1918, it may be said that the time has gone once and forever for apprehension as to the permanent and solid progress of the agricultural West.

Financing Export Trade.

To guarantee the economic future of the Dominion it is essential that shipbuilding, iron and steel production, mining and the other basic industries of the nation secure the necessary financial support for their enlargement, development and progress. Bear in mind that Canada's export trade will be conditioned in large measure by the kind of competition it must meet from the United Kingdom, the United States and other manufacturing nations. Already Great Britain and the republic have formulated plans for the safeguarding and extension of their external trade after the war. Powerful banking interests in New York and London are devising methods for lending support to manufacturers who enter the export field. Not only will the industries at home be guaranteed the necessary capital for placing them upon a peace basis, but the foreign importers who buy their goods will be financed by the banks. The United Kingdom and the United States lost contracts again and again before the war, in competition with Germany, simply because the German manufacturers were able, by means of the powerful assistance given them by the great financial banks, to arrange long-term credits for their customers, whether governments or corporations, throughout the world. It is plain as daylight that Russia, Poland, Belgium and the Balkan States will absorb enormous supplies of materials necessary for their rehabilitation, if these can be secured on a long-time credit basis. The United Kingdom and the United States will enter these markets the day peace is declared, and arrange for the furnishing of locomotives, rails, bridge materials and scores of other necessary supplies. Here is a new field for the chartered banks of the Dominion. Hitherto, the banks have concentrated on commercial banking in Canada. They must now begin to prepare to enter the field of financial banking, and be willing to make long-time loans for the financing of Canada's export trade. There is absolutely no reason to assume that Canadian manufacturers, granted full financial support, cannot hold or increase their external trade in Russia, France and other European countries, as well as in South America, South Africa and Australia. With financial backing, ships, locomotives, agricultural machinery, and scores of other Canadian products will find their way to the markets of the world, and thus assure the economic prosperity of the nation.

Canada Must be Built Up.

At the same time, attention must not be diverted from the development of the Dominion's own natural resources and the building up of its industrial and agricultural equipment. Canada must expand in population, must increase its industrial plant, must bring greater areas of its fertile lands under cultivation or sink into a static condition eventuating in economic stagnation and decay. Relatively few immigrants will come from Europe for a few years after the close of hostilities, but a well-directed and vigorous campaign will bring hundreds of thousands of the land-hungry from the United States. Free land close to the railways is not available, but there are millions of acres of fertile lands close to markets that, under a far-reaching colonization scheme, can be brought under cultivation, and under such conditions as will give ownership eventually to the settler at a no greater annual burden than is now carried by tenant farmers in the best agricultural States of the American Union. Both for industrial and agricultural development, therefore, capital will be required, and for that capital the nation must turn to the United Kingdom and the United States.

Some there are who imagine that the experience derived in war proves that Canadians can rely upon themselves to provide essential supplies of capital in the post-bellum period. It is said that the nation has learned the virtue of thrift, and that its financial power is now such that it can take care of its own needs. This, however, is a delusion. The Dominion, if it is to economically progress, must for many years to come draw the necessary supplies of capital for constructive enterprises from abroad. As a nation we are not yet in a position to create a sufficient surplus to provide for capital requirements at such interest rates as will encourage the development of natural resources and of industry. Reliance must, as in the past, be made mainly upon the financial power of the United Kingdom.

United Kingdom Again in Loaning Field.

Sir George Paish, among other British financial experts, has given assurance that British capital will be available to meet all the requirements, not only of the United Kingdom itself, but of the Empire, after the war. Anglo-Saxons have been proverbially impatient of thrift, and have regarded thrift less as a virtue than as a vice. The Englishman has become the banker of the world by making, rather than by saving money. Since the outbreak of hostilities, however, an amazing transformation has been effected in the financial life of the United Kingdom. By spontaneous organization, rather than through centralization of effort, the whole nation has given itself over to saving; and it is now estimated that there are not less than 5,000,000 individuals in Great Britain who are laying aside, weekly, part of their income for investment. As is well known Great Britain has floated war loans to the extent of more than $40,000,000,000, while maintaining unimpaired its foreign investments of $26,000,000,000. The national income has risen during the course of the struggle from $12,000,000,000 to $15,000,000,000, and labor has not witnessed such great prosperity ever before in the nation's history. What is equally important, the industrial equipment of the United Kingdom has been augmented by the construction of more than 5,000 factories, equipped with the most modern mechanical devices. A broad market has been built up for long-time bonds, inasmuch as the entire nation has been educated in the nature of investments. It is safe to say that Great Britain will quickly come to the front again as the greatest banking and trading nation in the world.

In preparation for post-bellum requirements, London has, during the past few months, witnessed a consolidation of its banking interests. The new London Joint City and Midland Bank is now the strongest British financial institution, having deposits of £314,000,000, followed by Lloyds with £300,000,000. This is the latest of a series of amalgamation designed to place the British banks in a strong position to cope with future trade conditions and to finance the British export business. While this merger movement has been attacked in certain radical quarters, as constituting a "money trust," it has been compelled by the course of events. Demobilization, and the transforming of war industries to a peace basis, will tax the resources of even the greatest banking country in the world.

In conclusion it may be said that the future may be faced with confidence in Canada if national harmony prevails, and if labor and capital combine to protect and strengthen our economic life. There will be no sharp decline of prices, no sudden reversal of values, not even for agricultural products. The price of the 1919 wheat crop is guaranteed; and the prevailing dearth in food supplies throughout Europe and elsewhere, will make a ready sale for all that Canadian agriculture can produce. To be sure, peace will bring many changes in the prices of the products of the factory and the farm, but the general level of prices will remain high. In this connection it should be recalled that the immense volume of credit created on war account in Europe, and the huge issue of paper currencies—the Bank of France alone has issued paper currency up to 29,500,000,000 francs—will keep prices high across the water, and European prices will react on trade and commerce here. Only lack of courage, lack of enterprise, and want of foresight can stand in the way of maintaining the credit and the industrial prosperity of the Dominion at a high level.

The Inland Revenue Department receipts for October were $1,337,347, an increase of $1,435,969 over the corresponding month last year. Tobaccos and cigars brought in a little over two million dollars and the war taxes totalled $1,334,452.

Expansion of Canadian Government

Activities of Federal Government Were Already Expanding Before the War — Movement Accentuated Since 1914 — Many New Governmental Institutions Created to Control Production of Essential Commodities.

ALL of the nations engaged in the war have experienced an increase in the economic and political activities of their governments. In the case of federal nations, such as Canada and the United States, most of this expansion is on the part of the central government, as upon it rests the responsibility for prosecuting the war, with the accompanying necessity for controlling the movements of people and commodities to and fro across the national border, and, in a lesser degree, social and industrial life within.

A movement in this direction was already well under way before the commencement of the war, and the proper limits of the state and of its subordinate branches had already become more than a mere academic discussion. War conditions, however, have made additional control absolutely necessary, and, while opinions differ as to just how far this should go, the tendency has been to give a free hand to the governments of the several countries.

Some of the regulations now in force are admittedly only for the war period, such as the prohibition of trade in certain commodities to and from some countries, the prohibition of strikes, and moratoria. As regards others, however, such as price-fixing, the systematizing of transportation and government promotion of trade, opinion is divided.

The following is a list of the more important branches of the Dominion government which have been established since August, 1914. Those which are of a purely political and military nature are only mentioned in brief; it will be observed, however, that many of them are concerned with the production of food, fuel and other economic essentials and their distribution. Two only are of cabinet rank; the remainder are placed under the supervision of ministers of existing departments, as indicated on the accompanying chart, compiled by the department of public information, which is itself one of the most recently created branches.

Two or three of the branches which have been created need only be mentioned here. One is the Military Service Branch of the Department of Justice, which was established by order-in-council of September 3rd, 1917, for the purpose of putting in force the Military Service Act.

A second is the Canadian War Records Office, which is a part of the military organization.

A director of Public Safety was appointed late in 1918 to investigate certain political movements which were regarded as contrary to the Public Safety.

A director of Internment Operations was also appointed under the Minister of Justice shortly after the war commenced in 1914.

Reconstruction and Development Committee of Cabinet.

By an order of the Privy Council of Canada, approved on 23rd October, 1917, the cabinet was divided into two main branches or committees. The war committee was to deal with those immediate problems involved under the prosecution of the war. The other, known as the Reconstruction and Development Committee, was to consider the problems which would accompany the return of peace. This committee was

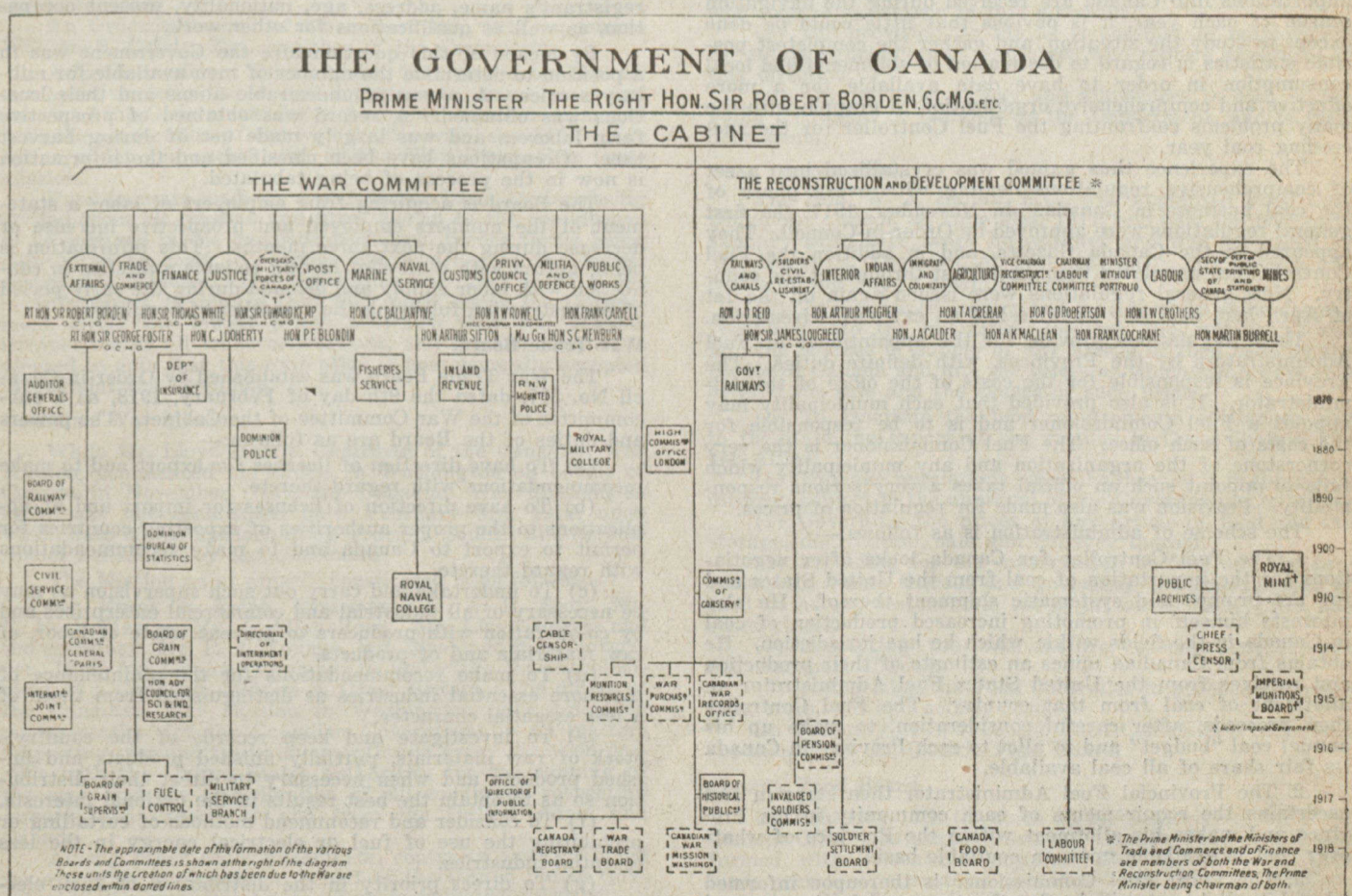


Chart showing Organization of Canadian Government and its Development during the War.

(Prepared by Dept. of Public Information, Ottawa)

empowered to report to the council from time to time and was also authorized to appoint sub-committees to consider any particular subject requiring special investigation. It also might authorize any such special committee to bring into consultation any person or persons of special experience or knowledge in the subject under consideration.

The following are the points to be especially considered by the Reconstruction and Development Committee. The Order-in-Council stated, however, that this enumeration was not intended to limit or prevent the consideration by the committee of any matter which relates to the purpose for which it was formed.

1. Immigration and colonization.

2. Land settlement including the utilization of unoccupied land some of which was being held for speculation.

3. The settlement upon the land of as large a proportion as possible of returned soldiers.

4. The industrial changes which would accompany the return of peace and their effect upon labor and industrial activity.

5. Transportation, including the government railways, ocean transportation, highways and the possibilities of an air service.

6. Public revenue and expenditure.

7. Greater production and increased thrift.

8. Co-operation in agricultural production.

9. Labor conditions and relations between employer and employee.

10. The possibility of maintaining the national service performed by the women of Canada.

Fuel Control Office.

The office of the Fuel Controller was created during the summer of 1917 when it became apparent that the United States coal supply was beginning to lag behind the demand in that country. Mr. C. A. Magrath was appointed to the office, and has retained it since. Effort was made to create an organization to render the best possible service during the coal year ending April, 1918, but as the greater part of the importations into Canada are received during the navigation season of each year, it is obvious that little could be done except to study the situation, and gather the completest possible statistics in regard to destination of shipments and local consumption in order to have data available for a more effective and comprehensive organization to grapple with the many problems confronting the Fuel Controller for the succeeding coal year.

The experience thus gained was crystallized into a set of comprehensive regulations dealing with every phase of the coal business in Canada. In November, 1917, the first general regulations were approved by Order-in-Council. They appeared in the Canada Gazette, and in addition the Fuel Control Office circulated them broadcast throughout the country. New general regulations were issued again on the 1st of April last, and they likewise had an extensive circulation.

These regulations provide for the appointment of Fuel Administrators by the Provinces, with definite duties. The Province is responsible for the costs of the office of the Administrator. It is also provided that each municipality may appoint a Fuel Commissioner and is to be responsible for the costs of such office. The Fuel Commissioner is the very cornerstone of the organization and any municipality which fails to appoint such an official takes a very serious responsibility. Provision was also made for regulation of prices.

The scheme of administration is as follows:—

1. The Fuel Controller for Canada looks after negotiations for the importation of coal from the United States and for the prompt and systematic shipment thereof. He also interests himself in promoting increased production of coal in Canada in the fields within which he has jurisdiction. He obtains from Canadian mines an estimate of their production and receives from the United States Fuel Administrator an allotment of coal from that country. The Fuel Controller then proceeds, after careful consideration, to make up his annual coal "budget" and to allot to each Province in Canada its fair share of all coal available.

2. The Provincial Fuel Administrator then steps in and ascertains the requirements of each community in his Province and makes his allotment within the Province of whatever coal is available upon an equitable basis.

3. The Local Fuel Commissioner is thereupon informed what his allotment will be for the year and he is expected to see that the tonnage available is distributed amongst the people in his community on a fair pro rata basis. All this is done under carefully drafted regulations.

Cable Censorship.

The purpose of the cable censorship is:—

First, to prevent the transmission of information of military value to the enemy.

Secondly, to frustrate attempts made by the enemy to carry on commercial enterprises. It is against the law for British subjects to trade with the enemy, and it is against the policy of the country to permit cables which it controls to be used to the profit of the enemy.

To attain these two leading objects sundry regulations have been laid down. The guiding principle which actuates them is that the censorship must understand the transaction to which the message relates.

This is for two reasons. There always is the possibility of the use by enemy agents of what are called concealed code messages; a message ostensibly relating to the order of certain goods might by arrangement convey the movements and numbers of troops or ships; if a message is filed apparently relating to commercial transaction, it becomes the censor's duty to ascertain the nature of the business and if, for instance, the sender were a person not ordinarily engaged in that particular calling, suspicion would be natural. Again, enemy traders have been persistent in their attempts to carry on their business secretly, by the use of covers. It is part of the duty of censorship to detect and frustrate such attempts.

It follows that a person sending a cable will help the censorship, and expedite the passage of his message, by furnishing the telegraph companies with a memorandum explaining the censorship confidentially; a member of the censorship establishment who divulged, or made improper use of, information acquired in the course of duty, would be liable to prosecution.

Canada Registration Board.

The Canada Registration Board was established by Order-in-Council dated February 23rd, 1918. First thing in importance in the work of the Board was the taking of the registration of all persons in Canada above sixteen years of age. This was accomplished June 22nd. A questionnaire was answered by all registrants giving among other things registrant's name, address, age, nationality, present occupation, as well as qualifications for other work.

By means of this questionnaire the Government was in a position to determine the number of men available for military service. A census of undesirable aliens and their locations was obtained. A record was obtained of prospective farm laborers and was largely made use of during harvest time. Occupations have been classified and the information is now in the process of being tabulated.

The Board is acquiring from employers of labor a statement of the numbers employed and prospective increase or decrease during the next three months. This information is being gotten with a view of having reliable statistics in connection with labor supply and demand during the early period of reconstruction following the cessation of hostilities.

War Trade Board.

The War Trade Board was established by Order-in-Council No. 337, dated the 9th day of February, 1918, as a subcommittee of the War Committee of the Cabinet. The powers and duties of the Board are as follows:—

(a) To have direction of licenses for export and to make recommendations with regard thereto.

(b) To have direction of licenses for import and of applications to the proper authorities of exporting countries for permit to export to Canada and to make recommendations with regard thereto.

(c) To undertake and carry out such supervision as may be necessary of all industrial and commercial enterprises and by co-operation with producers to prevent waste of labor, of raw materials and of products.

(d) To make recommendations for the maintenance of the more essential industries as distinguished from those of a less essential character.

(e) To investigate and keep records of the country's stock of raw materials, partially finished products and finished products and when necessary to direct their distribution so as to obtain the best results in the national interests.

(f) To consider and recommend methods of curtailing or prohibiting the use of fuel or electrical energy in the less essential industries.

(g) To direct priority in the distribution of fuel, electrical energy, raw materials and partially finished products.

(h) To investigate generally the conditions of trade, industry and production (except food production) and to make recommendations with regard thereto.

(i) To work in co-operation with the Canadian War Mission at Washington and through that mission or otherwise to co-operate with the War Trade Board of the United States or other bodies constituted for the like purpose with a view to securing the most effective unity of action by the two countries for war purposes.

Any officer or officers of the Department of the Government may at the request of the Board be attached to the Board and placed under its direction from time to time by the head of such Department.

The Board co-operates with the several Departments of the Government in any matters requiring common or united action and each Department of the Government and its officers assist and co-operate with the Board.

Subject to the approval of the Governor-in-Council the Board establish such organization, appoint such officers, pay such remuneration and expenses and do and perform such other acts and things not hereinbefore expressly set forth as may be necessary for the efficient discharge of the duties hereby imposed upon it.

All expenditures incurred by the Board are paid out of the moneys provided by the War Appropriation Acts.

Provision is also made that the powers of the Board do not interfere with those of the Food Controller, Fuel Controller or the Board of Railway Commissioners.

War Purchasing Commission.

The War Purchasing Commission was appointed in May, 1915, to deal only with purchases for which payment is to be made out of War Appropriation Funds. In February, 1918, the Government asked the Commission to take responsibility for all Government purchases of every kind. The chairman is the Hon. Sir Hormisdas Laporte, P.C.

The Commission acts under authority of the following Orders-in-Council:—

Of May 8th, 1915, appointing Hon. A. E. Kemp, chairman, G. F. Galt, Esq., and H. Laporte, Esq., as the War Purchasing Commission to supervise purchase of all equipment, stores and supplies, for which payment had to be made out of the War Appropriation Funds, and defining the duties of the commission and the manner in which such purchases should be made.

An Order-in-Council of November 10th, 1917, appointed William P. Gundy, Esq., member of the Commission.

A further order of February 6th, 1918, instructed that all purchases made by the several departments, commissions and boards of the Government for any purpose, whether connected with the prosecution of the war or otherwise, should be made by or under the supervision of the War Purchasing Commission.

Purchases are made on a competition basis, tenders being invited from all persons and firms known to the commission to be engaged in the business concerned, tender forms being distributed by mail. Contracts are awarded to the lowest responsible tenderer. The commission has taken pains to get manufacturers to realize that they must quote the Government direct the lowest prices at which they sell anyone, irrespective of all trade conventions, and the Commission is pleased to note that this contention is now generally accepted throughout the Dominion.

Canadian War Mission.

While Mr. Lloyd Harris, Chairman of the Canadian War Mission, commenced his efforts in Washington on behalf of Canada in November, 1917, the Canadian War Mission, as such, was not constituted until February 3rd, 1918, upon which date it was authorized by Order-in-Council and its personnel announced by the Chairman.

The Mission as at present constituted is as follows:—

Mr. Frank A. Rolph, Chairman; Mr. A. H. Scott, Mr. R. H. McMaster, Mr. J. Allan Rose. Mr. Lloyd Harris and the secretary, Mr. R. J. Younge, left Washington in November, 1918, for London, England, to undertake the establishment of a Canadian Mission in Great Britain. The duties of the Canadian War Mission in Washington have embraced representation for the Canadian Government in all matters respecting war and trade, co-operation in every direction possible with the United States authorities for the winning of the war, and the co-ordination of all conditions respecting imports and exports to and from the United States and Canada.

Among other accomplishments, contracts were obtained for execution in Canada on behalf of the United States Government of war orders aggregating in value $250,000,000.

A Canadian trade commission has recently been sent to London, England, for the purpose of assisting in bringing about a closer relation between the United Kingdom and Canada, and also to endeavor to secure for Canadian industries, a fair share of the large orders which it is expected will be placed for the rebuilding of war devastated areas.

Military Hospitals Commission.

The Military Hospitals Commission was formed by Order-in-Council dated the 30th June, 1915. Its name was changed on the 14th October, 1915, to the Military Hospitals and Convalescent Homes Commission, the Military Hospitals Commission being its short title. Its powers, which originally included only the provision of convalescent homes, was then extended to include the provision of employment for returned soldiers, generally. In February, 1918, it was absorbed by the Invalided Soldiers Commission.

Invalided Soldiers Commission.

On the 21st February, 1918, the name of the Military Hospitals Commission was changed to the Invalided Soldiers Commission and the Commission was made a part of the new Department of Soldiers' Civil Re-establishment.

Department of Soldiers' Civil Re-establishment.

This Department was created on February 21st, 1918, by Order-in-Council. The Order-in-Council was later embodied in a bill which became an act during the last session of Parliament.

The functions of the Department comprise:—

(a) The provision of hospitals and sanatoria for the treatment and care of members and ex-members of the Canadian Expeditionary Force, or the other military or naval forces of Canada who may break down from tuberculosis, insanity, epilepsy, paralysis or other diseases likely to be of long duration or incurable.

(b) The provision of vocational training, known as occupational therapy, in the hospitals operated by the Department and in those operated by the Militia Department.

(c) The provision of re-training for men who are unable, through war disabilities, to return to their previous occupation.

(d) The provision of artificial limbs and minor orthopædic appliances to all members or ex-members of the forces who require assistance in this direction.

(e) The provision, so far as is possible, of employment for returned members of the forces who require assistance in this direction.

(g) The payment of pay and allowances to men undergoing treatment or training by the Department, and to their dependents.

Food Control Office.

The Hon. W. J. Hanna, K.C., was appointed Food Controller for Canada on June 21st, 1917, and held the post until January 24th, 1918, when he resigned and was succeeded by Mr. Henry B. Thomson, of Victoria, B.C. The powers and duties of the Food Controller were:—

(a) To make such inquiry and investigation as he deemed necessary into the quantities, location and ownership, and into the sources of supply of any article of food used by the people of Canada and into the prices at which same were sold or held for sale and the causes of such prices.

(b) To ascertain the food requirements of Canada and to facilitate the export of the surplus to Great Britain and her Allies.

(c) To make regulations where he deemed it in the public interest, subject to the approval of the Governor-in-Council:—

(1) Governing the prices of any article of food and the storage, distribution, sale and delivery thereof.

(2) Providing for the conservation of food and the prevention of waste thereof and governing the consumption of food in hotels, restaurants, cafes, private houses, clubs and other places.

(3) Respecting the manufacture, preparation, storage and transport of food.

(4) Authorizing the Food Controller to purchase, requisition, store, sell and deliver food.

On February 11th, 1918, the Food Controller's Office was superseded by the Canada Food Board.

Canada Food Board.

On February 11th the form of the authority of the Food Control Office was changed and the Canada Food Board was formed with retroactive powers. The appointments then made were:—Chairman of the Board and Director of Conservation, Mr. Henry B. Thomson; Director of Agricultural Labor, Mr. Jas. D. McGregor, Brandon; Director of Production, Hon. C. A. Dunning, M.P.P., Regina; Secretary of the Board, Mr. S. E. Todd.

The Order-in-Council requires:—

That a Board be created to be called the Canada Food Board.

That the said Board consist of a Director of Food Conservation, a Director of Food Production and a Director of Agricultural Labor.

That the Board shall be under the jurisdiction of and shall report to the Governor-General-in-Council through the Minister of Agriculture.

And it was also ordered:—

1. That the Board should generally direct the production, conservation and distribution of foodstuffs in the interests of Canada and the other British Dominions as well as the Allied Nations.

2. That all the powers and duties formerly vested in the Food Controller be transferred to and vested in the Canada Food Board, and that all relevant Orders-in-Council and regulations conferring powers or imposing duties upon the Food Controller should have force and effect as if the Canada Food Board had been named and designated therein instead of the Food Controller.

3. That for the better accomplishment of these purposes the Board should have power:—

(a) To expend any sums of money approved by the Governor-General-in-Council for any of the purposes aforesaid.

(b) To co-operate with the Provincial Governments with a view to co-ordinating the activities of all local bodies for the aforesaid purposes.

(c) To enter into agreements for the cultivation of idle land on such terms as may appear to the Board to be advisable.

(d) To utilize and direct the co-operation in the work of the Board of any member of the outside service for the purposes of publicity and of securing information.

(e) To mobilize and utilize on a voluntary basis the farm labor resources of Canada.

(f) To make such regulations consistent herewith for carrying out their duties and for the internal economy of the Board as the Board may deem advisable.

Labor Appeal Board.

P. C. 1743 provides for the constitution of a Labor Board of Appeal. A temporary chairman was appointed by the Minister of Labor to deal with the first appeal, that, namely, in the case of the Ottawa Electric Railway and its employees, Mr. H. J. Daly being called to the position. The constitution of the Board was not formally completed until September 16th, when the Honorable Mr. Justice F. S. MacLennan, of Montreal, was appointed by the Minister of Labor in the absence of a joint recommendation from the other members of the Board, the other members of the Board being Mr. S. R. Parsons, of Toronto, and Mr. G. H. Duggan, of Montreal, appointed on the recommendation of the Executive of the Canadian Manufacturers' Association, and Mr. John W. Bruce, of Toronto, and Mr. Gus Franq, of Montreal, appointed on the recommendation of the Executive of the Trades and Labor Congress of Canada.

Labor Sub-Committee.

A sub-committee of the Reconstruction and Development Committee of the Dominion Cabinet was formed in May, 1918, under the chairmanship of Senator G. D. Robertson in order to keep the Reconstruction and Development Committee in touch with labor conditions throughout Canada and to recommend for its consideration policies and measures to be adopted in respect of labor problems both during the war and as they may be expected to arise after the termination of the war.

Unlike the Reconstruction and Development Committee, which is composed of Ministers alone, this sub-committee, to be known as the Labor Committee, includes in its membership a leading manufacturer and merchant, another a professor of political economy, and two others drawn from the ranks of organized labor. The members are:—Hon. G. D. Robertson, Chairman; Hon. T. W. Crothers, Minister of Labor; Professor R. M. MacIver, of the University of Toronto; Herbert J. Daly, manufacturer and merchant of Toronto; J. C. Watters, President of the Trades and Labor Congress of Canada, and Galvin Lawrence, Legislature representative of the Brotherhood of Locomotive Engineers; Gerald H. Brown, Secretary of the Reconstruction and Development Committee of the Cabinet, has been appointed to serve also as Secretary of the Labor Committee.

Among the duties assigned to the Labor Committee are the following:—

To investigate the social and economic conditions of the working population of Canada with a view to recommending legislation calculated to increase the well-being of the masses of the people. To study the existing conditions of the workmen throughout Canada, and make recommendations for the removal of causes of industrial unrest and the interruption of work in any industry. To co-operate closely with the Labor Department and, with the consent of the Minister of Labor, to utilize the machinery of the Labor Department, as far as can be profitably done in the conducting of these investigations. To promote co-operation and harmonious relations between employer and employee.

Cost of Living Branch.

Two Orders-in-Council, passed on November 10th and November 29th respectively, 1916, the second amending the first, provided for the appointment of an officer to investigate the cost of living. Mr. W. F. O'Conner, K.C., was the first one appointed with the title of acting commissioner. The work was conducted as a separate department of the Government under the Minister of Labor. The order gave the department, in the name of the Minister, the right and the duty to investigate into causes and reasons for the high cost of necessaries of life. Emphasis was particularly placed upon hoarding and apparently the framers of the order had in mind the high prices as the result of accumulation of stocks.

No power was given to the department to establish a fair price. The powers were simply those of investigation and the municipal council was given practically the same powers.

The order reiterated the codes as regards combinations in restraint of trade. Made unlawful accumulation of necessaries of life beyond personal and business requirements and ordered that necessaries of life should not be sold at a price higher than was reasonable and just.

The co-operation of provincial operating was required in the prosecution for infringement of the order in enforcing the filling out of questionnaires and in securing access to books and records.

On May 3rd, 1918, Mr. R. J. McFall was appointed as commissioner in succession to Mr. O'Conner. Thenceforward this office operated as a branch of the Department of Labor.

The function of the office is:—To do anything it can to keep down the prices of the necessaries of life. Such level, however, is not to be so low that by discouraging production it causes prices to rise rather than to fall. It is merely an investigating body and has no power to fix prices. It works in harmony, however, with the food board and fuel control office, both of which are regulative bodies. In addition to this the cost of living commissioner may make recommendations to the Minister of Labor where those initiative legislations or Orders-in-Council may be passed. The bulk of the work transacted has consisted of reports upon cold storage, milling, baking and fuel.

Press Censorship.

The Canadian Press Censorship service, as it at present exists, was established on July 15th, 1915, when the Secretary of State appointed Mr. E. J. Chambers, the present Chief Press Censor, to the position. This action was taken under an Order-in-Council passed the 10th day of June, 1915, under the War Measures Act.

At the very commencement of the war, in August, 1914, a voluntary censorship of the Canadian Press was conducted in connection with the Cable Censorship Branch at Militia Headquarters, the present Chief Press Censor, who was at the time one of the censors at headquarters, calling upon editors and publishers in the principal cities and obtaining their promise of co-operation. The necessity for a legally recognized censorship became apparent, and the result was the passage of the Order-in-Council already quoted.

The Censorship Order-in-Council has undergone several changes, and the present Order-in-Council, known as the Consolidated Orders respecting Censorship, was assented to on May 22nd, 1918.

The Press Censorship acts as a general bureau of official information and direction for the press. The actual duty of censoring published matter rests with the publishers themselves, who receive the necessary guidance from the office of the Chief Press Censor. There has never been any attempt to use the Censorship for the restriction of a free discussion of political and other public issues. When in doubt as to the acceptability of any reports or statements, the editors and publishers refer to the Chief Press Censor or to subordinate censors in Winnipeg and Vancouver, the cost of reference by telegraph being borne by the Government.

Director of Public Information.

The office of Director of Public Information was created in November, 1917. In September, 1918, an Order-in-Council was passed, dividing the Department of Public Information into two parts, Press and Platform Publicity. An Associate

Director of Public Information, Dr. Geo. H. Locke, was appointed to have charge of the latter branch. The Order-in-Council sets forth the respective duties of the Director and Associate Director.

The work carried on by the Department of Public Information has been directed along the lines of giving to the public the fullest possible information concerning the war, war problems, and important government activities at home and abroad. This work has been carried on through the usual agencies: press, platform, motion pictures, pamphlets, etc. It embraces an intimate study of the various departments of Government with a view to providing the freest possible facilities for the communication of information of public interest to the press and to the public.

The Department of Public Information keeps in close touch with Government activities and with the work of the boards and commissions specially constituted to meet problems arising from the war. The facilities of its office are at the disposal of these various departments of government, boards and commissions.

Munition Resources Commission.

This commission was formed under authority of an Order-in-Council passed on the 27th November, for the purpose of making inquiries respecting the supply and sufficiency of raw materials in Canada required for the production of munitions of war and as to the best method of preserving the same. The members appointed were Col. Thos. Cantley, of New Glasgow, N.S.; Robert Hobson, Hamilton, Ont.; George C. Mackenzie, Ottawa, Ont.; Hon. W. C. Edwards, Ottawa, Ont.

Investigations were made regarding the supply of raw materials necessary to the production of munitions. In the winter of 1917-18 an inventory of Canadian mineral resources was commenced in co-operation with a similar inventory which was being made by the War Minerals Committee of the United States. The services of the Munition Resources Commission were also placed at the disposal of the Imperial Munitions Board and of manufacturers of munitons. Regular meetings were held in Ottawa from time to time, and complete records kept with a view to issuing a comprehensive report at the end of the period of production.

Canadian Railway War Board.

This board was formed at the suggestion of the Government for the purpose of co-ordinating railway activity during wartime conditions to the end that the railways, by the elimination of competitive effort that has been considered unnecessary in the existing abnormal conditions, etc., might be placed in a position to meet the heavy demands placed upon them for the transportation of troops, munitions and domestic traffic.

A meeting of the railway executives was held at Montreal on October 23rd, 1917, and the following resolution adopted unanimously at that meeting was later subscribed to by all railways operating in this country:—

"That the railways of Canada, realizing the national need of co-ordinating all industrial activities toward the prosecution of the war, and desiring by further co-operation with each other to render the most efficient possible service to the national cause, do hereby agree to establish for the period of the war an organization which shall have general authority to formulate in detail, and from time to time, a policy of operation of all or any of the railways, which policy when it is announced by such organization shall be accepted and made effective by the several managements of the individual railway companies."

The provisions of the foregoing resolution were recently extended to cover the period of transition from war to peace time conditions.

Under the authority conferred upon it as above the board has supervised the handling of both freight and passenger traffic on what to all intents and purposes has been one national railway system and the results which have been accomplished are of themselves an indication of the wholehearted manner in which the individual railway managements have carried out the orders of the board as issued from time to time.

Another branch under the Canadian Railway War Board is the Railway Adjustment Board, for the purpose of dealing with labor questions in railroad transportation.

Board of Pension Commissioners.

The Order-in-Council under authority of which the Board of Pension Commissioners was established is P. C. 1334. The date of establishment was 11th September, 1916.

The head office of the Board of Pension Commissioners for Canada is situated in Ottawa. There are sixteen branch offices throughout the Dominion in the principal cities from coast to coast. In addition to these, the Board has established a British branch at 103 Oxford Street, London, W.1. The functions of the Board lie in administering the moneys which have been apportioned by the Canadian Government to compensate:—

(1) Soldiers and sailors for disabilities received on active service.

(2) The dependents of soldiers and sailors who have been killed in action, or who have died as the result of injuries received, or disease contracted or aggravated while on active service.

When the disabled soldier or sailor returns from overseas he is medically examined and recommended either for treatment or discharge. If he is discharged with any disability whatsoever, the medical documents referring to his case are forwarded to the Board of Pension Commissioners for a decision as to the class of pension to which he is entitled. If a man requires treatment it will be provided either in military hospitals or convalescent homes, or by the Invalided Soldiers' Commission, and his case for pension will be considered when he is released from those institutions. The amount of pension a soldier or sailor may receive depends entirely on the extent of the disability he has incurred. The pensions paid to dependents of soldiers or sailors who have been killed are awarded immediately the casualties are reported.

Board of Grain Supervisors.

The Board of Grain Supervisors of Canada was created under authority of an Order-in-Council passed on June 11th, 1917.

The Board makes such enquiries and investigations as from time to time it deems necessary, to ascertain what supplies of grain are available or will be available. The Board ascertains the location and ownership of such grain and what transportation and elevator facilities are available in connection therewith, as well as all conditions connected with the marketing and the market price of the same. For the purpose of any enquiry or investigation held by the Board, the Board has all the powers of a commissioner acting under part one of the Inquiries Act.

The Board has power from time to time to fix the price at which grain stored in any elevator may be purchased and the conditions as to price, destination or otherwise under which grain may be removed from such elevator, and may also prescribe what grain shall be sold to millers or milling firms in Canada or elsewhere and what grain shall be sent to the United Kingdom and the Allied Powers; it is the duty of the Board to issue such orders and take such action as it deems necessary to facilitate at all times the transportation and delivery of grain in excess of domestic requirements to the United Kingdom and the Allied Powers.

(a) Any price so fixed is subject to the approval of the Chairman of the Board.

(b) The Board may from time to time appoint an executive committee of not less than three of its members, of whom the Chairman must be one, and may assign to such Executive Committee any duties or powers within the competence of the Board.

The Board has power to receive offers for the purchase of grain from millers and from the Wheat Export Company, Limited, or from any other person or body, representing or acting for the Government of the United Kingdom, or for any of the Allied Nations, or for any combination of the same, and from time to time to fix the prices at which such grain is to be sold.

The Board has power to take possession of and sell and deliver to millers or to overseas purchasers at the prices so fixed grain stored in any elevator, and to account and pay over to the owners thereof the proceeds of such sales after deducting all expenses connected with the taking possession, sale and delivery.

The Board, having regard to position and the cost of transportation, fixes a uniform price throughout Canada for grain of the same kind, quality and grade.

The Board of Railway Commissioners for Canada has power to order any railway company to provide cars and other transportation facilities for handling grain and to transport as directed, grain taken possession of or owned by the Board.

Every person must truthfully and promptly answer any enquiry made by the Board or by any person duly authorized on its behalf, about any matter within its powers or duties, whether such enquiry is made verbally, in writing or by telegraph, or in any other way.

The Board, with the approval of the Governor-in-Council, may make any regulations it deems necessary for the pur-

pose of fully and effectively carrying out the objects and provisions of these regulations, and in particular, but without limiting the generality of the foregoing, may make regulations:—

(a) For appointing representatives in different places in Canada for the purpose from time to time of making known in such localities the prices for grain fixed and other regulations made by the Board, and for reporting to the Board any violations of any order issued by the Board or any regulations made hereunder, and generally for assisting the Board in the effect of discharge of its duties.

(b) To authorize the engaging of clerks, employees and assistants and the payment of their salaries.

(c) Creating offences and providing penalties in respect of violations of any order made by the Board or of any regulation made hereunder.

Soldier Settlement Board.

The two main objects of this legislation are first, to assist in the civil re-habilitation of those men who have honorably served in the military or naval expeditionary forces during the present war, and who desire to take up farming as their permanent business, and, second, to increase agricultural production.

The Soldier Settlement Act provides that eligible soldier settlers may obtain 160 acres of vacant Dominion land as a free soldier entry, the entrant being required to carry on residence and improvement duties upon the same. These duties are very similar to those required under the Dominion Lands Act for men taking up land as an ordinary homestead. The exercise of the privilege of taking up a free soldier entry does not interfere with the applicant's ordinary homestead right and provided the soldier settler has not previously exhausted that privilege, he is enabled to obtain 320 acres of Dominion land.

These Dominion lands are situated in the three prairie provinces, and the Railway Belt and Peace River block of British Columbia, and constitute the undisposed of Crown lands in these provinces. One of the first steps taken by the board was to secure the reservation for soldier settlement of such remaining lands suitable for agriculture which were situated within 15 miles from transportation. No special reservation was requested for areas at a greater distance than the above-mentioned, as the handicap to men who settled upon the same would, in the great majority of cases, be too great to ensure a reasonable chance of success. The lands so reserved are only available for disposition to members or ex-members of the expeditionary forces.

The act also provides for loans to eligible soldier-settlers for any of the following purposes, namely:—

(a) The acquiring of land for agricultural purposes.

(b) The payment of incumbrances on lands used for agricultural purposes.

(c) The improvement of agricultural land.

(d) The erection of buildings.

(e) The purchase of stock, machinery and equipment; and

(f) Such other purpose or purposes as the board may approve.

For the carrying out of these provisions there has been established in the capital of each province the requisite machinery for dealing with loan applications. Upon receipt of any application the same is given our immediate attention, and if the loan is approved as coming within the requirements of the act the money is immediately advanced to be expended as provided by the Honorary Advisory Board, which considers all such applications.

The act requires that first mortgage security be obtained on all loans on privately owned lands, while in the case of Dominion lands the loan shall constitute first charge. It also requires that the board shall be satisfied that the value of the security offered is sufficient to justify the loan, the same to be estimated on the agricultural value of the land and the commercial value of any other security offered; further that the applicant has the ability to make from the farm a fair living for himself and family after paying off the interest and any other payments which may become due or payable with respect to the land. Loans granted are expended under the supervision of the board, in order that the settler as well as the Crown may be protected. The maximum amount of any loan is $2,500.

British investments in Canada total nearly $3,000,000,000—"the financial foundation on which Canada has been built." The United States investments in 500 branch factories, $150,000,000.

IMMIGRATION INTO CANADA

Industry Has Become Used to Absence of Enlisted Men—Possible Sources of Population—Immigration Policy

By John Stuart Thomson

This great influx of brave men returns with an immigrational status, because during their absence Canada has repaired their loss by birth-increment. Canada has in addition similarly repaired the permanent death and disability loss of over 100,000 soldiers. Therefore the returning 500,000 troops are a distinct gain in immigrational population, and they bring with themselves a special charter, and a change in character.

They have a special homestead claim upon Canada, and they have lost much of their former urban, clerical and academical habits. Five years absence from city, school and cultural life has effected an alteration in the minds, bodily health and economical adaptability of the men. A new taste and a new power for outdoor or for mechaincal life will send many of these troops into agriculture, mining, milling, etc. The materialistic wealth of the nation will be dominant over the cultural life for some time.

So far as agriculture is concerned, special favors in Crown-grant homestead land should and will be made. Impaired men should be protected from adventuresses by entailing the land in some way for the benefit of the soldier and his children for a number of years. Land grants should not be made of too great an area. This will prevent speculation. It is better for the Provinces to encourage intensive farming, by granting long loans for tractors, stock, etc., etc.

In normal immigrational years, the United States receives well over one million immigrants, and in times past she has received well over one million Canadians. The United States can well afford therefore to lose thousands of her population, many of whom go into western Canada. These Americans are decidedly Canada's best immigrants, because they bring with them capital, agricultural experience and purpose.

Though the same number of Britons and Americans immigrate into Canada, twice the number of Americans homestead. It perfectly suits American economical purposes to send Canada these 150,000 American emigrants in non-war years, because, more and more, America needs increased food production on land near her borders. I think therefore that America will permit special drives for American emigration from the Western States into Western Canada and into mining and lumbering Ontario and Quebec respectively.

50,000 to 700,000 Germans.

Let not my reader be astonished at my mentioning the word "German," which requires some explanation and a paragraph or two of history. On page 34 of the "Monetary Times" of September 20th, 1918, record is made of my efforts from 1909 to 1914 to prevent the war by a proposed Anglo-American-French naval defensive alliance. On this subject, the general secretary of the Navy League of London wrote me on November 12th, 1917, as follows:—"If these efforts of yours for an Anglo-American naval defensive alliance, previous to the war, had been realized, we should never have had this terrible catastrophe." The Montreal Standard of October 20th, 1917; "Gateway" magazine of Detroit, September, 1917; the National Magazine of Boston, January, 1918, and many other magazines have made a similar editorial record.

Of course I did not stop at naval and diplomatic efforts. I essayed the main, basal field of international economy. War or emigration is a biological option, and war itself is biological. If a populous people is prevented by a military autocracy from emigrating, that people will jettison its morals and adopt barbarian excursional war.

I quote Dr. E. W. Nelson, of the United States Biological Survey, on the philosophy of natural destruction:—"Epidemic disease, destruction, etc., plays its part in reducing the numbers (of animals). Nature is thus self-limiting in restraining the permanent increase of any species beyond the numbers needed to preserve its balance."

Germany Tried to Hold People.

Central Europe has been overcrowded since 1848, at which date a proper proportion of Teutonic emigraton was stopped, by order of the Hapsburg and Hohenzollern military dynasties. Only 4,500 Germans came into Canada in non-war years. Realizing from 1909 to 1914 that the boiler would soon burst, and appreciating that Canada and America could absorb more Teutons, as I have stated, I assailed the eco-

nomical feature and asked for immigrational and emigrational action respectively in America, Canada and Germany.

The best that Dr. Jacob Riesser (Germany's best known banker, organizer and economist) would consent to was an exchange of cultural lecturers, whereas I was seeking plain Teuton agricultural immigrants. In America, the Dillingham Bill was prepared in the Senate to encourage 250,000 German immigrants a year, and direct elsewhere some of the other races.

The United States of North America has shown that a democracy can safely absorb 10 per cent of her population from the blood of an enemy country; declare war, and by a forced draft (conscription) loyally fight the immigrants against their mother country, which shows the paramount power of economy over militarism. On that precedent, therefore, Canada could safely absorb an eventual total of 700,000 reformed Teutons. Of course no such number is likely to come!

The war entered its second phase with the Brest-Litovsk and Bukharest treaties, viz., the phase of a battle for raw products, in view of expected post-war rehabilitation. Imperial Germany thereafter fought for the continuance of her emigration-prevention policy, and yet she claimed a share of raw products and of shipping and of a navy, disproportionate in comparison with her emigrational contribution to the world's economy and reciprocity.

We Allies of the western world especially, now lay down this second natural law to her, viz.: emigrate and obey the law and flag and language of the land where the raw products lie. Britain, the great colonizer, has obeyed this law since 1776. There are higher and deeper laws than the diplomatic and military. These laws are natural, psychologic and economical, and not every diplomat or politician understands them.

Had these laws been obeyed by Germany, the world war would have been made impossible. If they are obeyed now, future race wars will be made impossible, though there will now and then be "police wars," but these wars are always confinable and often confined. Instances of police wars are the American Civil War and the South African War, both of which closed without leaving race hate.

Canada has received the large number of 20,000 Austrian-Hungarian immigrants in non-war years, and the continuance of this number would be acceptable. But Canada has only received 4,500 Germans in non-war years.

Latin Immigration.

Canada has done her duty by the Latins. She has received one-third of her population from that race and has maintained to them a "bloc" privilege in language and provincial settlement, something no other country on the earth has done. It is not probable, however, that a disproportionate further number of Latins will arrive in Canada for some years. In non-war years Canada's immigration from Italy for instance is only 9,000.

The problem, however, is a living one in America and it has been considered in the Dillingham, Burnett, Literary Test and other American immigration bills. Many changes have taken place during the war, and will continue to take place. I have two sentimental things to say, however, regarding the Latins.

France sends out no emigrants, because she has no excess population. There is almost no price we would withhold to secure the artistic, mechanical and brave emigrants from that immortal country, forever to be known as the "Bulwark of Civilization." Moreover, architecture in America and Canada has become so debased in style, that if an influx of Italian and French architects and masons, or the Latin spirit, can improve our taste, special efforts should be made to bring in Latin workers and artists. Of course, this is mainly a cultural matter, but it has its immigrational and economical features.

British Immigration.

America under the Dillingham Bill was desirous, if possible, of receiving 260,000 British immigrants a year. She received only 96,000 a year from 1903 to 1914. Canada's hopes are similar. In non-war years, Canada receives the remarkable number of 130,000 British immigrants. Every measure should and will be taken to follow the lead of Canada's premier British province, Ontario, the bulwark and banner of Canada's Anglo-Saxon predominance and cultural and international intimacy with America.

From the United States in non-war years, Canada receives the remarkable number of 130,000 immigrants. Whatever Ontario and Britain recommend immigrationally, let us follow. The interests of our great practical Anglo-Saxon race are involved. We have never failed once yet. Britain will finally emerge as the world's exchange banker. America holds that position now, but she is not averse to Britain's partnership or even leadership. Therefore immigration from Britain rests largely on financial arrangements.

It is a paramount racial and diplomatic matter, as well as an economical one. The Briton must never lose his grip, with Ontario, on Canada's course, and Canada should therefore aim at receiving hundreds of thousands of Britons. Here is a slogan I give forth: "The navy can protect South Africa and Australia, but a predominance of British and American immigration are essential in Canada." There are so many features involved, that I will not follow them all out for want of space. I will only suggest a few.

Canada is the link of the bond of the English-speaking nations. Her present small population and vast area make her more of a prey to the designing and the dangerous than any country on earth. Canada is the essential land link of the British Empire and while she is "all red," India will be "all red," and China will be "red enough" in suiting our purposes and necessities. Canada's geographic position in maintaining the Japanese-British Alliance as against the German and the Bolsheviki, is of first importance, and is of equal assistance and encouragement to Japan, America and Britain.

China, India, Japan and the Colored Races.

Viceroy Chelmsford, Mr. Montagu, Secretary for India, ex-Premier Terauchi, Premier Hara and Canada's, Britain's and America's statesmen and peoples are to be congratulated on the emollient (so called "gentlemen's") agreements, which have recently softened various irritating conditions, treaties, etc.

We all now know that German Imperial intriguers in 1907 and 1908 sent Herren Bohm, Bune and other plotters to India, to ship certain tutored racial disturbers to British Columbia for political and not immigrational purposes. This matter has been solved satisfactorily to both radiant India and brave British Columbia.

The Chinese immigration is controlled by various head-tax, shipping and legislative exclusion means. Japanese immigration is controlled under a noble "gentlemen's agreement," and under new opportunities that Britain, America and Canada have, with their money and soldiers and navy, made for Japan in Asia.

No charge can be brought by the colored races against Britain, as the British Empire in population is "more colored than white," and the white protector-trustee has done his duty justly and splendidly by the colored races, whom he guides and shields, but does not exploit. With Imperial Germany removed as an intriguer; with gentlemen's agreements made regarding special lands like Canada and the Pacific Coast States of America, I look for little further trouble regarding the immigration of colored races. The Japanese immigration into Canada in non-war years is only 600 a year; the Chinese 5,000, which I fear is a little too much, unless made under "deportation contract," such as those signed in Shantung province.

Controlling Transportation Companies.

As I was once a steamship manager in the Far East (Hong Kong) and New York City, I of course know that by the rule of capital, corporation comes first and nation second. And I am individualistic enough to accept most of this rule. I do not believe in too much centralization, nor do I believe in too much dispersion, which is Bolshevism. However with Central Europe now made into a vast hospital, care must be taken by government regarding the inspection and admission of foreign defectives, and regarding the admission of too many Chinese.

Central Europe made the war. Let her stew in it, to the extent of keeping her own defectives at home. The simplest way for Canada to make her physical immigration inspection, is to locate her quarantine physicians (as does the United States Marine Hospital Service) at the ports of emigration, such as Hong Kong, Yokohama, Southampton, Bremen, Rotterdam, Antwerp, Hamburg, Genoa, etc., etc. Canada's medical inspection in the past has been quite efficient, indeed quite rigid.

Sex.

I have long wondered why immigrational authorities seem to consider the male as an immigrant, and the female as an anomaly. It is blood we are after. If we can't get all the British men we would like, we will in future also seek British women, with equal eagerness. Western Canada has an excess of males. Britain has an excess of women. Let Britain and Canada therefore give State aid to the immigration of British agricultural women, who can be absorbed

quickly into the western provinces, where a "woman is at a premium."

Immigrational Changes.

We must be prepared for volte face changes, discarded rules and jettisoned precedents. Surprises will fall as from the high skies. The most remarkable change is the immigration of American males into France. France's "dot" and "women-managed business" systems are partially responsible for this. France's heavy toll of male deaths in the war has brought about the marriage of many American soldiers with French widows and girls. Moreover, Americans have taken more pains to learn the French language, than have the humorously independent British "Tommy" or the doughty, home-loving Canadian.

Immigrational Finance.

Canada's revenue in war years is $270,000,000. Her net debt, including war, will probably not be over $2,000,000,000. Canada's post-war charges for debt-interest, refunding, etc., will probably not be over $70,000,000 a year. After taking care of her usual normal budgets of $130,000,000, with Britain's co-operation, Canada could easily allot $4,000,000 a year to immigrational and land settlement finance, and considerable additional loans could be placed in the United States by the Provinces.

Based on United States precedents, these sums could possibly secure (in addition to absorbing the 500,000 soldiers) 350,000 to 400,000 immigrants a year, which is the number Canada should aim at. This is a number quite within reasonable possibilities, as its pro rata percentage has at times been nearly reached by the United States under exactly similar conditions.

Canada's immigration history and policy from 1910-1914 inclusive was excellent in totals and proportions and is a proper basis for future work. It is true that Canada's costs have mounted, but the increase has mainly been spent in Canada for homesteading and in Britain for bonuses, which is a commendable investment. I, however, think that Britain should in future pay the bonuses. I am quite ready to defend the cis-Atlantic side of this question.

The United States wants wheat and beef and wool. Canada has the land and soil, and should have every aid in getting the agricultural immigrants. These are financial weights for Canada to bear, but she is splendidly solvent. I bespeak one favor and one act of justice for her. Having next to France and Belgium made the most unusual, fervid and drastic sacrifices in the war, Britain should favor Canada in the new world-field of financial opportunities that the war will have won.

All the allies have done well, and are "sans peur et sans reproche," but taking everything into consideration from 1914 onward, Canada's exhibit is (without making any invidious comparisons) in my personal opinion a little bit finer than anyone else's, except France's and Belgium's exhibit. I could give the details, but all I am supporting now is Canada's claim on Britain especially, and on America, for financial support of her post-war immigration policy.

The quicker this is arranged for, and anticipations made in detail, the better. Germany used to pigeon-hole her war-conquests before events. Canada can now at least confidently draw out the velum paper and begin drawing her immigrational plans, aiming at 14,000,000 population ten years hence, plans which are possible in realization, because they are based on sane economy, patriotism and a favored geographical situation, and the sentimental and racial amity of her larger allies, Britain and America. Think of the pleasant suggestions of this alliteration: America, Britain, Canada, the A-B-C of the north nations; Argentine, Brazil, Chile, the A-B-C of the south nations; all of them economical, war and peace allies.

The distinctive power of Anglo-Saxon democracy is its resilient civilianism; the dominant, persistent and imperishable rule of constructive economy over destructive war. When the victorious soldier of a democracy hangs up his sword, and safely resumes his plow, like Cincinnatus, then let Imperial Germany acknowledge a second defeat, for we shall make her acknowledge our emigrational rules (which are in accord with the immemorial natural laws) that the sword cannot hold man to a land from which economy drives him; neither can it send him victorious with his intrusive flag into anyone else's land.

Economy's call is insuperable. War is occasional. Peace is persistent. Both emigration and immigration policies and principles, neglected, misunderstood or abused in the past, now step forth, with their old true claims, supported, vindicated and restated by the victorious civilian-soldiers of the new-world democracies, Canada and America, whose citizens wave the hand that once held the sword, and wave this Macedonian welcome to all good and assimilable men:—"Come over and help us; be joined to our laws and language; share in our prosperity and defend the flag that feeds and glorifies you."

One United States' Immigrational Method.

Those who have read articles of mine, such as that in the 1915 Annual of the Toronto Monetary Times, know that I have long ago urged the acquirement of the English language as a main immigrational standard for the United States and Canada. Special drives are made on this subject by United States Commissioner of Immigration, P. P. Claxton; H. H. Wheaton and others of the Department of Interior, Bureau of Education, women's clubs and patriotic societies such as the National Security League of New York.

Resolutions have been adopted by the Council of National Defence, the National Educational Association, the Federation of Labor, etc. Colonel Roosevelt as an American culturalist has made many speeches on the theme. A special Bill of educational aid, covering millions of dollars is before Congress. "Community Councils" have been organized for the "Americanization" of immigrants and of citizens only partially Americanized. These "Community Councils" meet in the school buildings in many cities.

A cultural movement has rolled recently like a tidal wave over the United States, bearing on its patriotic crest the slogan:—"Down with the German and foreign press in the United States." The teaching of the German language in universities, to fit diplomatic and trade cadets, is supported by an editorial in the University Magazine (McGill, Montreal), October, 1918, issue, and this exception I, of course, support.

The 1910 census of the United States showed that 8,315,219 immigrants could not speak English, and that half of the number had been left illiterate in their own language by Hapsburg, Hohenzollern, et al, who were their former masters. This number of illiterates, I believe, has now been cut down to 6,000,000, and very soon such a virile nation as is the United States, when aroused, will remove the language menace by night schools and other educational and immigrational methods.

During the war, some "hyphenization" recognition was given in the United States for sentiment's sake, so as to quickly arouse support of the allied cause, but in future, immigration will be allowed a shorter "hyphen," so far as the delay in changing language and literature is concerned.

Largely through the influence of the Draft Law, language did not interrupt patriotism, because the fourth United States Liberty Loan was subscribed for by "hyphenates" as follows:—

German-Americans	$400,000,000
Italian-Americans	250,000,000
Polish-Americans	150,000,000
Bohemian-Americans (Czech-Slavs)	130,000,000
Jewish-Americans	80,000,000
Swedish-Americans	25,000,000

Most of these foreign-born live respectively in the States of New York, Pennsylvania, Illinois, Ohio and Massachusetts. Against these sums, of course, is the huge total of fifteen times as much which the English-speaking American bought of his loan.

The most marked item of the educational change is the United States Government's call upon industrial organization to culturally assist. Quicker improvement will now be marked, and industry itself will be benfited. Americans are very proud of their new "Americanization" Department in the Immigration section of the Department of the Interior, and justly so. Let it be recalled that Franklin K. Lane, Secretary of the United States Department of the Interior, was born a Maritime Province Canadian, though his education was received in the United States.

Of course when I say that the usual immigrant will be required to learn English, I do not mean to say that Americans will neglect foreign languages. Educated Americans employed in diplomacy and foreign trade will require foreign languages, especially French and Spanish, in an increased measure.

I wish to pay a tribute of admiration to the United States Department of Interior, Joseph Mayper, Librarian Meyer of the Library of Congress, Dr. Talbot of the New York State Bureau of Immigration, and other officials, regarding the vast collection of literature placed before students, and I also thank the officials for their invariable courtesy and remarkable generosity in furnishing such data at little or no expense to sincere enquirers. Similarly do I bear testimony to the courtesies of Minister Calder and Supt. W. D. Scott of the Immigration Department of Canada.

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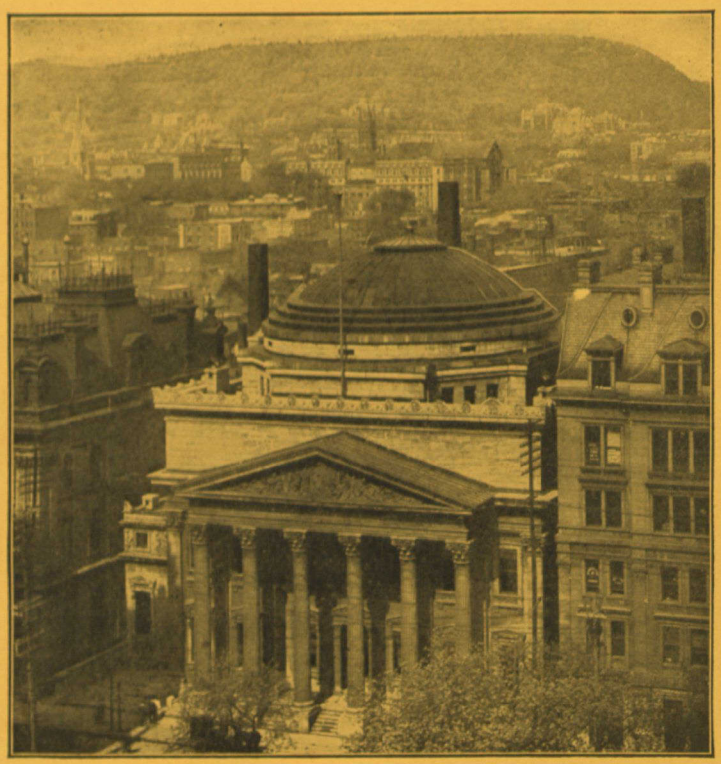

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Review of Canadian Banking in 1918

Prosperity in Industry Has Affected Banks Favorably—Increase in Deposits and Circulation—Effect of Victory Loans—Relation of Banks to Government Finance — Two More Amalgamations This Year—All Canadian Banks Now Controlled at Home.

By H. M. P. ECKARDT,
Author of *Manual of Canadian Banking*

LIKE the preceding years of the war, 1918 has been a period of expansion for Canadian banking. It was characterized by Government borrowing on a very large scale. Although the first Victory Loan of $400,000,000 was subscribed in November, 1917, the bulk of the financing for that loan was transacted in 1918—a large part of the amount subscribed being paid in January. The loan exerted a considerable influence upon the bank position; notice deposits in January fell from $995,000,000 to $900,000,000—the decrease, $95,000,000, being the greatest shown up to that date in the record of Canadian bank deposits. Subsequently the balance of the notice deposits steadily recovered; and in the course of seven months, by August 31st, the total had been brought to $1,014,000,000, a new high record. This development was regarded with satisfaction, inasmuch as it indicated that bank depositors were accumulating funds in readiness for the second Victory Loan. Also, as the notice deposits of the banks furnish the bulk of the funds used in carrying the regular discount lines, the commercial, industrial and agricultural clients of the banks are closely interested in the fluctuations. If the tendency of these deposits is steadily upwards, there will probably be, in normal times, an increasing fund available for the uses of the customers. The other payments on the Victory Loan of 1917, which continued until May 1st, did not have so pronounced an effect upon the bank statements —between January 31st and May 31st the total assets of the banks rose from $2,237,000,000 to $2,319,000,000, the increase being $82,000,000.

Banks Assist in Government Financing.

Apparently the loan proceeds sufficed for the Finance Minister's needs until July, for in that month we find the bank holdings of war bonds again on the upward trend. In July the chartered banks made the first of a new series of temporary advances to the Ottawa Treasury. These monthly loans were apparently in the neighborhood of $35,000,000 or $40,000,000, and they bridged over the period from the last instalment of the 1917 Loan to the initial payment on the 1918 Loan. As a result of their acquisition of the short date Treasury bills, the banking assets in July and succeeding months again showed important increases. With the repayment of the Government's obligations out of the proceeds of the 1918 Victory Loan, the bank holdings of securities as shown in the monthly returns would again be reduced. According to a statement made at Washington a few months ago, Canada procured privately in the United States, during the year ending June 30th, 1918, a loan of $65,000,000. A foreign loan of this magnitude would ordinarily be clearly reflected in the bank statements. Its effects would be seen in a sharp rise in the deposits held by Canadian bank branches abroad, accompanied perhaps by increase of the balances carried by our banks in banking institutions at international centres and by increase of foreign call loans. During the war, however, the Dominion Government has been under obligation to pay out vast amounts at short notice; and it probably would be the case that proceeds of the foreign loan would be disbursed almost immediately. If the proceeds were disbursed, in large part, in the same month in which they were received, the loan might not affect our bank returns to a pronounced extent. However, in February, March and April there was a rise in the deposits of our foreign branches, the bank balances and call loans abroad rising at the same time—the deposits elsewhere increased $34,000,000 during these three months, and the call loans and bank balances $51,000,000.

While the instalment dates in connection with the 1918 Victory Loan extend into the third month of 1919, it is understood that a considerable proportion of the issue was taken up and paid for in full in 1918—the Government's action in having the bonds ready for delivery at the opening of the subscription period facilitated prepayment of unmatured instalments. Like the Victory Loan of 1917, the new loan involved the banks in much labor, their difficulties in this respect being intensified by the epidemic of Spanish influenza which incapacitated for the time being many members of the staff. On the recent occasion, however, they were not called upon to undertake for their customers so many conversions of old bonds as was the case in 1917. As the interest return on the bonds of the 1918 loan is slightly lower than that obtaining in case of the 1917 loan, there was not the same inducement to convert.

New Amalgamations.

The two bank amalgamations occurring during the year occasioned unusual interest. The first to go into effect was that in which the Royal and the Northern Crown were involved. The latter institution was itself a consolidation of the Northern and the Crown—the former being a western bank while the operations of the latter had been confined to Ontario. After the union the bank was controlled in Winnipeg and its development was pushed in the provinces west of Lake Superior. Although the greater part of the banking business of the west is transacted by banks with head offices in the east, westerners have always had a strong desire to have banks of their own, and on a former occasion when an eastern bank was on the point of absorbing the Northern Crown, the deal was abandoned because of the opposition of western interests. The difficult conditions created by the war apparently served not only to lessen the western opposition to amalgamation with an eastern bank but also to exemplify the advantages incidental to union with a strong bank like the Royal. The terms of purchase, as elsewhere stated in the Monetary Times Annual, were very favorable, the Northern Crown shareholders getting back practically all that they lost when their capital stock was recently cut 50 per cent.

The other amalgamation, by which the Bank of British North America became a part of the system of the Bank of Montreal, occasioned more surprise. The British Bank has been prominently identified with Canada's business life for the greater part of a century. Its first branches were established in Montreal, Toronto and Kingston in 1836. The management has always been characterized by ability and conservatism; and the bank grew and prospered with the growth and prosperity of the Dominion. Early in 1918 the court of directors decided to accept the very attractive offer made by the Bank of Montreal; the provisional agreement made by the directors was later ratified by the shareholders, and on October 15th the merger went into effect. By this latest merger the number of banks appearing in the monthly Government return is reduced to nineteen. The Bank of Montreal, after the consolidation, showed total resources rising towards the $600,000,000 mark.

All Shareholders Now Doubly Liable.

This merger had other interesting results. The British was the only bank in the Canadian list controlled from outside the Dominion. The majority of the shareholders resided in the United Kingdom and the court of directors sat in London. Owing to the confidence reposed by the directors in the general management at Montreal and the efficient system that had been built up, the outside control involved the Canadian customers of the bank in little, if any inconvenience. Now, however, the final reference, in all cases, will be made to Montreal, to the directorate of the Bank of Montreal. Then, there is the point that the British Bank shareholders who exchanged their stock for that of the Bank of Montreal become subject for the first time to the double liability clauses of our Bank Act. Years ago it used to be said that the Bank of British North America and La Banque du Peuple had the best charters in Canada, as in neither case were the shareholders subject to the double liability. La Banque du Peuple passed out of existence some time ago; and now, with the merging of the Bank of British North America in the Bank of Montreal, all Canadian bank stock is on the same basis. Because of the limited liability of its shareholders, the Bank

of British North America was permitted to issue its own notes, against its general assets, without specific security, only up to 75 per cent. of paid-up capital, while the other banks could issue up to the full amount of their paid capital.

Circulation Grows.

Throughout 1918, the activity of Canadian industry and the high prices ruling for commodities of every description caused further expansion of the note circulation of the banks. every year since the commencement of war has seen an increase in the volume of bank note currency. In 1915 the average bank note circulation was $105,000,000; in 1916, it was $126,000,000; in 1917, $161,000,000; and the figures for 1918, when available, will show a further increase of $30,000,000 or thereabouts. The bankers have followed a conservative policy in regard to their note issues—the increased issues for the most part being covered dollar for dollar by gold or Dominion notes in the central gold reserves.

The harvest results in western Canada in 1918 were disappointing, the yield of wheat being considerably less than in recent years. The bankers financed the crop while at the same time attending to the flotation and completion of the Victory Loan. This year there was no special grain credit of $100,000,000 for the Wheat Export Company—the business of purchasing, distributing and exporting the grain being left in the hands of Canadian dealers, shippers and millers. This involved the banks in the necessity of granting more extensive credits, as in pre-war days, to their regular customers instead of participating in a big credit to Government.

As the new resources of the banks were quite largely absorbed in the loans to the Dominion Government, the bankers were obliged to request their ordinary customers to keep their borrowings down as much as possible. The same policy was pursued by bankers in the United States. The Federal Reserve Board at Washington issued a circular on this question of conservation of banking credits; and, later, the president of the Canadian Bankers' Association addressed this circular, with modifications to make it conform to Canadian conditions, to the bank branches throughout the Dominion.

MONEYS COINED BY CANADA'S MINT

During 1917 and for the ten months ended October 31st, 1918, the branch of the Royal Mint at Ottawa has coined for issue 48,494,825 moneys, with a total value of $4,824,159.04. The details given in the following table are supplied to The Monetary Times by Dr. James Bonar, deputy master of the Royal Mint at Ottawa:—

	Jan. 1—Dec. 31, 1917.	Jan. 1—Oct. 31, 1918.
Gold:		
Number	58,845	106,516
Value	$ 286,370.00	$ 518,377.87
Silver:		
Number	14,561,989	12,975,528
Value	$1,951,168.10	$1,860,323.60
Bronze:		
Number	11,738,718	9,053,229
Value	$ 117,387.18	$ 90,532.29

The following table shows the amount of coins issued by the Ottawa Mint for the year 1917 and for the ten months ended October 31st, 1918:—

	Jan. 1—Dec. 31, 1917.	Jan. 1—Oct. 31, 1918.
Gold	$ 910.07	$ 427,823.00
Silver	1,862,200.00	1,650,000.00
Bronze	116,900.00	85,317.00

The only gold coins issued were sovereigns.

TWELVE MONTHS' BANK FIGURES (COMPARED)

	Circulation		Deposits on Demand		Deposits after Notice		Deposits Abroad	
	1916	1917	1916	1917	1916	1917	1916	1917
	$	$	$	$	$	$	$	$
November	156,971,068	202,181,328	459,277,454	538,869,362	836,593,269	1,008,657,874	162,207,247	175,645,031
December	161,599,987	208,753,337	458,208,417	569,441,871	845,006,717	995,978,013	162,860,614	174,779,104
	1917	1918	1917	1918	1917	1918	1917	1918
January	149,425,864	193,567,911	427,308,526	559,777,237	864,163,344	900,374,256	159,494,048	169,581,106
February	142,589,098	181,695,542	430,331,801	569,266,642	880,456,637	908,822,988	156,498,668	183,222,302
March	149,950,596	191,328,665	448,151,528	561,042,236	888,765,698	921,080,803	170,253 362	196,257,632
April	155,576,568	192,969,079	471,312,285	558,509,221	874,948,724	933,644,668	183,022,686	203,473,448
May	151,414,829	189,748.470	443,839,847	535,655,731	892,562,657	947,757,337	206,682,376	204,173,285
June	157,886,938	195,135,577	449,689,670	549,327,078	900,510,552	965,934,556	177,974,187	210,118,939
July	161,762,871	198,779.395	450,849,356	549,068,651	929,442,340	992,015,137	183,846,718	216,003,804
August	162,696,039	202,489,039	439,997,259	554,906,517	952,591,821	1,014,711,865	186,651,653	220,124,417
September	178,139,958	213,066,909	451,749,532	588,940,119	965,393,541	1,037,498,920	180,535,043	217,486,568
October	195,298,212	232,438,622	495,058,449	644,220,998	985,790,850	1,076,514,627	181,799,457	224,201,096

	Current Loans in Canada		Current Loans Abroad		Call Loans in Canada		Call Loans Abroad	
	1916	1917	1916	1917	1916	1917	1916	1917
	$	$	$	$	$	$	$	$
November	813,791,947	868,973,714	76,087,370	95,954,524	89,395,370	72,178,345	183,250,389	139,832,552
December	820,378,557	858,533,298	76,396,720	111,581,098	82,569,983	71,779,020	173,878,134	134,483,482
	1917	1918	1917	1918	1917	1918	1917	1918
January	830,966,420	855,506,506	85,989,511	116,220,343	79,737,064	76,239,201	155,747,476	132,687,066
February	839,424,041	859,363,147	86,944,450	109,678,140	78,786,535	76,722,163	162,344,556	160,239,494
March	872,932,377	886,995,222	83,551,225	102,217,679	76,478,708	74,257,877	161,616.735	167,296,701
April	916,455,893	884,089,402	86,058,220	99,267,660	82,737,417	77,497,360	159,156,054	179,818,531
May	874,680,780	894.817,113	98,993,197	99,300,926	78,514,798	78,466,582	168,692,675	172,259,879
June	882,113,455	897,226,012	93,150,083	103,033,289	76,085,220	76,970,920	159,309,133	170,034,476
July	873,549,907	905,677,233	90,253,882	99,702,919	71,376,788	74,382,762	151,875,676	167,112,836
August	836,429,670	920,775,269	82,082,847	101,551,546	71,204,351	73,509,571	178,610,625	160,544,990
September	855,306,953	942,802,018	87,265,325	109,850,161	72,421,187	74,137,860	166,480,004	159,680,810
October	883,986,860	1,003,593,603	93,821,865	112,869,399	71,653,719	73,685,136	151,018,747	157,040,858

TRADE ACCEPTANCES

How Their Use Would Assist Canadian Business—Practice in United States

By G. W. Morley

During the past two years there has been considerable discussion on this continent respecting the advisability of adopting trade acceptances and it is a very live question at the present time.

In the United States one year ago the available records indicated but 185 known users of the trade acceptance. The trade acceptance, however, is now being used there in practically every line of business, in many instances there having been united action on the part of a whole trade in adopting it as a term of sale. The plan of extending this method of credit was first put into effect in July, 1917, and was followed with great success by the flour milling industry in the State of Washington, followed by the lumber mills of the Pacific coast, the National Raw Silk Dealers, a number of hardwood manufacturing associations and various others. The bankers' associations of thirty-four States passed strong resolutions at their annual conventions commending the trade acceptance and its widest possible use in their respective States.

Before the adoption of the trade acceptance the experience of the trade associations mentioned above had been that the "open account" method placed them in the dual capacity of seller and banker; the abuse of the discount privileges naturally caused an abuse of credit and many accounts extended over a much longer time than was originally intended. This required a system of "dunning" and using salesmen as collectors, thereby reducing their efficiency; old accounts and long credits led to unjust claims and a large list of bad debts; when interest was added to claims it led to so many disputes that as a general rule it was not charged.

After the adoption of the trade acceptance the principal objections advanced by customers were that they never signed notes, never accepted or paid drafts, that it interfered with their bookkeeping and reflected on their credit. These objections were met by explaining the difference between a note, draft and trade acceptance, and that an agreement to pay for goods in accordance with the terms of sale assisted their credit, particularly so when the local bank saw the acceptances passing through regularly and the necessary money to the credit on the date of maturity to pay them.

Disadvantages.

We must not be blind to the fact, however, that the trade acceptance is not of universal application. It is not easily adapted to small units of business, and it would be inadvisable to make use of the acceptance in the sale of food products, because this would have a tendency to inflation and moreover foodstuffs should be brought to a cash basis, or a ten-day arrangement. It is pretty generally admitted that the retailer cannot secure a trade discount from the consumer, and it would be undesirable in any event.

Trade acceptances should not be adopted in cases where goods are sold by sample, because if it were found that the goods were not according to sample there is the danger of the trade acceptance falling into the hands of a purchaser for value without notice. In such cases the purchaser would have to overcome prima facie evidence against him in an action against the seller.

Advantages.

The advantages of the trade acceptance might be summed up as follows:—

1. It converts "slow pay" accounts to prompt pay accounts.

2. It induces many customers previously paying promptly at the end of their credit term to discount their bills.

3. It prevents the practice of large and financially strong customers imposing on the seller to the extent of taking an extra fifteen to thirty days beyond the allotted credit term. It fixes a definite time of payment.

4. It encourages careful buying and need not interfere with accounts previously handled on the cash discount basis.

5. The proportion of trade acceptances not paid at maturity would be negligible as contrasted with the number of unsatisfactory book accounts.

6. It enables customers to pay with exact promptitude on day of maturity and if they fail to meet the liability it then becomes an indication of insolvency.

7. In the case of responsible acceptors it enables a seller to discount his trade bills at a bank for 100 per cent. of their book value.

8. The use of the trade acceptance enables the borrower to convert his accounts receivable into cash instead of having them tied in a form which may or may not be promptly collectable when due.

9. The ordinary purchaser buys goods and gives a verbal promise to pay for them. If the contract is committed to writing it avoids the possibility of a dispute later on for the memory of a man is treacherous.

10. It is much easier to recover on a trade acceptance than on an open account. By reducing the obligation to writing the cost of proving the account is eliminated.

11. There is the psychological influence on the debtor which causes him to regard a written obligation more than a verbal one.

12. Just as the increased use of the checking account has increased the volume of business that can be transacted so will the use of the trade acceptance still further build up the volume of the business handled.

13. The use of the trade acceptance will make the retailer a better "mark for credit," a better collector, and respecter of terms of sale and incidentally a better all round merchant, thereby reducing the number of retail failures.

14. It will make possible the collection of interest.

15. It will make for greater efficiency in salesmen who can give their exclusive time to selling.

16. The primary result of the use of the trade acceptance is that it whips business into better and safer form—it is the promoter of liquidity, prompt settlements being effected, claims and settlements being eliminated, expense of operation reduced, and the accomplishment of better work by capital.

Concentration in Collection.

What shortly would be the effect of adoption of trade acceptance on the banks?

Through the use of the trade acceptance much of the labor that has heretofore been done in the business house will be transferred to the bank. The business house will be relieved from sending letters, drafts, duns and other notices which they have heretofore been required to send at a heavy expense. By concentration of this work in the banks it can be done at a less expense but whatever the expense it should be borne by the users; they should be satisfied to pay a reasonable fee for the service and cost of collection of acceptances.

In spite of what has already been said respecting the trade acceptance being a comparatively new suggestion, it must be remembered at the present time that the only trade bills appearing in the open market and moving with a great degree of freedom are foreign trade acceptances, that is bills originating in foreign countries and bearing the endorsement of one or other of the various agency banks. These bills are eligible for purchase and enjoy a very ready market.

Every possible effort should be made by all trade associations and the banks to encourage the future use of trade acceptances. The demands upon our commercial, industrial and financial interests will increase at a tremendous pace and therefore in the interests of thrift it is essential that every dollar's worth of credit should be whipped into such shape as will enable it to render a maximum of service. The waste of credit should be regarded as unpatriotic as is the waste of food or other essentials.

I regard the movement as one of publicity and education and would suggest that local trade acceptance councils be formed in the principal cities throughout Canada, these councils to include in their membership a representative of each of the important lines of industry; also that a speaker's bureau be organized with the object of addressing the boards of trade throughout the country on the subject.

MONTREAL MECHANICS' INSTITUTE

At the annual meeting of the members of the Montreal Mechanics' Institute, held recently, with W. Rutherford, president, in the chair, it was shown that the financial position of the Institute was excellent, the committee having carried forward a net gain of $10,753.64 to capital account. Loans on the first mortgages purchased from the Sun Life Assurance Company, amounting to $145,000, having been repaid, the committee decided to retain sufficient funds to cover the cost of the new building and invest the balance in bonds.

FIDELITY BONDING OF EMPLOYEES

In Case of Bonding of Each Employee, Guilty Party Must be Identified Before Bond Can be Collected

At the present time practically every bank employee in the United States and Canada is covered by a fidelity bond in favor of the bank, and in this connection the case of the American Savings Bank and Trust Company vs. National Surety Company, decided by the Washington Supreme Court recently, is an interesting one, and arose out of a peculiar state of facts.

In the case mentioned the National Surety Company had issued to the American Savings Bank and Trust Company a fidelity bond in the following terms:—

"The National Surety Company, surety, in consideration of the payment of an annual premium of_____ hereby agrees to make good within sixty days after proof thereof to American Savings Bank and Trust Company, employer, any loss which the employer may sustain by reason of any act of personal dishonesty, forgery, theft, larceny, embezzlement, wrongful conversion or extraction on the part of any employee named in the schedule hereto attached, or hereafter added to said schedule by separate notice, accepted by the surety, as hereinafter provided in any position in the employer's service, as to any employee set forth in said schedule, or after the date of such acceptance of notice, as to any employee added to said schedule, and before the termination of this bond, as to any employee covered hereby. The surety's liability hereunder shall, in no event, exceed, on behalf of any one employee, the amount set opposite the name of such employee in said schedule or said acceptance notices. Provided, that the employer shall not have at the date hereof, or at the date of adding any new employee to said schedule, any knowledge of any of said employees have been guilty of any act of personal dishonesty in any position in the employer's service, or in the service of any other person, firm or corporation."

The bond further provided that the liability of the surety should terminate upon discovery by the employer of any default hereunder by any such employees, and the schedule attached to the bond contained the names of the Trust Company's employees, 18 in number, with the amount set opposite the name of each employee, showing the extent of the Surety Company's liability on the part of each employee, the limit of such liability ranging from $1,000 to $10,000.

Guilty Party Could Not be Identified.

While this bond was in force some person abstracted from the funds of the Trust Company the sum of $8,500 and at the time the money was abstracted, or stolen, to be more correct, three particular employees of the Trust Company, and whose names appeared in the schedule attached to the bond, and no others, had access to the funds from which the $8,500 was abstracted, so that the money must have been taken by one or more of these three employees, but the Trust Company was unable to prove which particular employee or employees had actually taken the money.

The Trust Company then brought action against the Surety Company on the bond set out above, and the Surety Company defended on the ground that it was the duty of the Trust Company to show which particular employee or employees had been guilty of the actual theft, while the Trust Company claimed that it was sufficient to show that some employee named in the schedule of the bond had been guilty.

"Whatever may be the individual opinion of the representatives of the Trust Company as to whose wrongful act is responsible for the loss of this money," the Trust Company argued, "we are not called upon for an expression, because we are insured against the act of all three of them. But we do say this in all candor—that when money disappears from a safe to which three men, and only three, have the combination, some explanation is required; and human nature is so constituted that, in the absence of some explanation, the conclusion will be drawn that one or the other misappropriated the money."

Surety Company Held Not Liable.

The Washington Supreme Court upheld the contention of the Surety Company, however, and decided that the Surety Company was not liable. The following quotations from the judgment, giving the reasons for this decision, will repay a careful perusal.

"Now if the Trust Company had been indemnified against the dishonesty of each of the accused employees by a separate writing, instead of by a single writing, referring to each employee, and specifying separately the amount of the Surety Company's liability for the dishonesty of each employee, as this bond plainly does, an action upon such a writing could not be successfully maintained by proof which pointed with no greater certainty to the dishonesty of some single employee. We are constrained to hold that this writing is in legal effect a separate bond as to each of the eighteen employees named in the schedule attached thereto, and that it is in no sense a blanket bond. As we have noticed, the schedule attached to the bond shows that the limit for the dishonesty of each of the eighteen employees is stated separately as to each employee. It so happened that the limit of the Surety Company's liability for the dishonesty of the three employees who had access to the particular funds from which the $8,500 were abstracted is $10,000 as to each, but that is coincidence of no importance as far as our present problem is concerned. The fact that the limit of the Surety Company's liability growing out of an act of dishonesty of each of the eighteen employees was separately stated and fixed at a specified sum shows to us, unerringly, the separateness of the Surety Company's liability as to each employee named in the schedule. Manifestly the stating in the schedule of each separate limited liability would have been to no purpose whatever had the bond been intended as a mere blanket insurance against the loss through the dishonesty of the Trust Company's employees. No name of any employee is in the body of the bond, but we read there that 'the Surety Company's liability hereunder shall in no event exceed in behalf of any one employee the amount set opposite the name of such employee in said schedule of accepted notice.'

"We conclude, therefore, that the proof offered in support of this claim is wholly insufficient to support any cause of action against the Surety Company, because of the fact that it is in law a separate bond for each employee named in the schedule attached, and no employee has been named in the proof with any degree of certainty whose dishonesty is the cause of the Trust Company's loss."

WHEN OUR BANKS COMMENCED BUSINESS

*No	Bank	Charter Obtained	Commenced Business	Banks Absorbed—Remarks
9	Commerce	1866	1867	Gore Bank, May, 1870 Bank of B.C., Jan., 1901 Halifax Bk. Co., June, '03 Merch'ts of P.E.I., June, '06 Eastern Townships
11	Dominion	1870	1871	
12	Hamilton	1872	1872	
14	Hochelaga	1873	1874	
17	Home	1903	1906	Internationale, 1912
16	Imperial	1873	1875	Niagara District Bank, July 2nd, 1875
6	Merchants	1861	1864	Commercial Bk., Mar., '68
4	The Molsons	1855	1855	
1	Montreal	1817	1817	Ex. Bk. of Yarm'th, Aug., '03 Peoples Bk. of Hlfx, July, '05 Peoples Bk. of N.B., Apr., '07 Bk. of B.N.A., Oct. 15, 1918
5	Nationale	1859	1860	
2	Nova Scotia	1832	1832	Union of P.E.I., Oct. 1, 1883 Picton Bank, 1886 Bk. of New Brunswick, 1912 Metropolitan Bank, 1914
15	Ottawa	1874	1874	
7	Provinciale	1900	1900	La Banque Jacques Cartier, July, 1900
10	Royal	1869	1869	Union of Halifax, 1910 Traders Bank, 1912 Quebec Bank, 1916 Nor. Crown Bk., Mar. 1918
13	Standard	1873	1873	St. Lawrence Bank, 1875 Western, 1909
18	Sterling	1905	1906	
3	Toronto	1855	1856	
8	Union of Canada	1865	1865	United Empire, 1911
19	Weyburn Security	1910	1911	

*Number of bank in Government monthly bank statement.

MONEY AND CIRCULATION IN CANADA

Peace and War Measures to Meet Monetary Requirements of Dominion

In the usual trade understanding of the term money is any medium of exchange which circulates as money in ordinary commercial intercourse whether that medium be gold, silver or bronze coin, or paper currency. Economists usually consider gold to be the only true money and in their discussions use the word in this sense only. It is, however, too academic for daily use and the ordinary commercial meaning of the word money is the one we usually have in mind when that much debated commodity is referred to.

In Canada the chief medium of exchange is paper, with silver and bronze coin as subsidiary currency. There is a Canadian gold coinage and British sovereigns, and United States gold coins are legal tender, but these gold coins are rarely seen outside of a bank vault; though Canada is a gold standard country and its trade is conducted on a gold basis, paper is practically the only currency in the ordinary commercial transactions of its people.

Paper Money.

This paper currency is of two kinds: notes issued by the Dominion Government and notes issued by the chartered banks. The Dominion Government notes are issued in denominations of $1, $2, $5, $25, $50, $100, $500, $1,000, $5,000 and $10,000. The larger denominations are used by banks for settlement of balances with other banks and the $5,000 and $10,000 and part of the $1,000 issues are special notes good only between banks, and between banks and the Receiver-General, and are so printed as a measure of protection.

Bank notes are for $5 and multiples of $5, usually $10, $20, $25, $50 and $100. Up to 1871 banks issued in addition notes of $1, $2 and $4, but when the Consolidated Bank Act was passed in that year $4 was the smallest denomination permitted banks and the notes of lower denomination were withdrawn from circulation. In 1880 this limit was made $5.

Legal tender in Canada consists of Canadian gold coins, British sovereigns at $4.86⅔, United States gold coins at their face value, and Dominion notes; all of these to any amount; silver coins up to $10 and bronze coins up to 25 cents.

Since the war as a measure of war finance notes of the chartered banks have also been declared legal tender. This in order to enable the Government to protect the gold reserves of the country.

Dominion Notes.

The issue of Dominion notes is governed by the Dominion Notes Acts of 1914 and 1915. Under the 1914 Act these notes may be issued and outstanding at any time to any amount. They are legal tender to any amount in any part of Canada except at the office at which they are redeemable. They are redeemable in specie (gold) on presentation. As security for their redemption it is provided that the Minister of Finance shall hold up to an issue of $50,000,000 a reserve of 25 per cent. of such issue in gold and for any issue in excess of $50,000,000 an amount in gold equal to such excess. It is also provided that in case the amount of gold held as security is not sufficient to pay the Dominion notes presented for redemption or in case the amount so held is reduced below the amount required under the act the Governor-in-Council may raise by way of loan temporarily or otherwise upon approved terms and security the amount required.

The Act of 1915 authorized an additional issue of $10,000,000 to the Canadian Northern Railway and $6,000,000 to the Grand Trunk Pacific Railway against the guaranteed securities of these companies lodged and in addition an issue of $10,000,000 to meet maturing obligations of the Government of $26,000,000 in all.

The issue of bank notes is governed by the Bank Act of 1913. Under it a bank may issue notes up to the amount of its paid-up and unimpaired capital stock and a further issue up to the amount deposited by it and at its credit with the Dominion Government Central Gold Reserve. During the crop moving period from the first day of September to the last day of February following inclusive a temporary additional issue is permitted up to 15 per cent. of its combined paid-up capital and rest fund, on which excess interest at the rate of 5 per cent. per annum must be paid to the Government. In 1914 the demand for currency was so heavy that the time for this 15 per cent. issue was extended to the full year and this privilege has been renewed from year to year since. To arrive at this excess circulation the amount at the bank's credit with the Central Gold Reserve is deducted from the total of its circulation outstanding and the amount by which this difference exceeds the amount of its paid-up capital is taken as the excess on which interest must be paid.

To illustrate, suppose a bank with a paid-up capital of $5,000,000, a rest of $5,000,000 and a balance at its credit with the Central Gold Reserve of $5,000,000, it would be permitted to issue $5,000,0000, the amount of its paid-up capital, $5,000,000 more against the amount of its balance with the gold reserve and an additional amount of 15 per cent. of its combined paid-up capital and reserve ($10,000,000), which would be $1,500,000, or a total circulation of $11,500,000. Suppose further that its total circulation outstanding was $11,000,000, to find the excess circulation deduct from the $11,000,000 the amount at credit with the Gold Reserve, $5,000,000, leaving $6,000,000. As its paid-up capital is $5,000,000, this difference exceeds it by $1,000,000 and this amount therefore is the excess circulation on which interest must be paid.

Bank notes are redeemable in legal tender at the office of the issuing bank on presentation and in order that they may pass at par in every part of Canada the Act provides that "Each bank shall make such arrangements as are necessary to insure the circulation at par in any and every part of Canada of all notes issued or reissued and towards this purpose shall establish agencies for the redemption and payment of its notes" in certain designated centres in each province, "and such other places as are from time to time designated by the treasury board."

The security of these notes is provided for as follows:—They are a first charge on the assets of the issuing bank, including the double liability of the shareholders, and in addition there is a general insurance fund held by the Government called the bank circulation redemption fund, with which each bank must deposit and maintain an amount equal to 5 per cent. of its average circulation, this average being made up by taking as the average for each month the highest amount of circulation outstanding at any one time during the month.

In the event of a bank failing its notes bear interest at the rate of 5 per cent. per annum from the date of suspension to the date of the official announcement that payment will be made. Should the assets of the bank not realize enough to redeem its outstanding circulation with interest this insurance fund would be available. If the necessary payments from this fund were to exceed the amount at credit of the failed bank the remaining banks would be required to deposit sufficient to make their balances with the fund equal to 5 per cent. of their average circulation.

This provides for the eventual redemption of the bank notes in circulation and fully protects the public but the chief feature of the Canadian system of bank note circulation is its elasticity, the automatic decrease when the demands of trade are satisfied. This is assured by the daily redemption of bank notes in the regular course of clearings. There is a profit in circulation and in order to get the full benefit of this every bank in its own interest seeks to keep its own notes in circulation and therefore sends back for redemption each day the notes of every other bank which come to it in the course of business. This daily redemption has prevented any serious inflation of the currency if indeed there has been any inflation at all.

Trade, of course, becomes inflated and currency naturally will follow trade, but this is a vastly different thing from the existence in a country of a volume of paper currency in excess of trade requirements.

One feature of the relations between the Government and the banks provided for by the Act is not generally known and that is the clause by which a bank must keep 40 per cent. of its cash reserves in Dominion notes. As a matter of fact the proportion usually held is almost double (71 per cent. on August 31st, 1918) but the clause remains mandatory though unnecessary. It is a relic of Confederation finance when the attempt was made to abolish bank circulation which then paid a tax of one per cent. and in its place institute a Government paper currency. In the compromise which was later embodied in the Act the scheme of a Government currency for the Dominion was dropped and the tax of one per cent. removed and in lieu the clause referred to adopted. At that time the credit of the new Confederation was not established and the fact that they needed the money was the reason for what was frankly intended as a forced loan without interest. Conditions have altered materially since that time and the reasons for the clause have long since disappeared but it is regularly made a part of the Act at each revision. The next revision, however, is due in 1923 and it may be that when

the Act is then passed this reminder of lean days will disappear.

At the end of October, 1918, the total of bank notes in circulation as shown in the Government return amounted to $227,597,808.

Paid-up capital	$106,587,095
Deposit in Gold Reserve	123,900,000
Total issue authorized	$230,487,095
Total assets of banks, $2,638,839,732.	
Total specie held by banks	$ 79,470,854
Dominion notes held by banks	167,225,818
At credit of banks in Central Gold Reserve	123,900,000
Deposited with Dominion Government as security for circulation	5,853,438
Total	$376,450,110

As against each dollar of bank circulation outstanding there were therefore assets of $11.50 and in cash or its equivalent $1.65.

The Dominion notes outstanding on the same date were $311,298,834.30.

Gold held	$115,621,901.35
Approved securities	140,687,500.00
	$256,308,401.35

The securities held as received from the Canadian Northern and Grand Trunk Pacific Railway Companies under the Act of 1915 are not included in the total of securities above mentioned and to arrive at the total issue authorized against the gold and securities under the Act of 1914 these must be allowed for as must also the $10,000,000 authorized to meet maturing obligations as follows:—

The gold and securities held under the Act of 1914 amounting to $256,308,401.35 permit under that Act an issue of $293,808,401.

The gold and securities held under the Act of 1914 amounting to $256,308,401.35 permit under that Act an issue of	$293,808,401
Under the Act of 1915 there was authorized against securities deposited by the Canadian Northern Railway	10,000,000
Against securities deposited by Grand Trunk Pacific Railway	6,000,000
Issue by Government to meet maturing obligations	10,000,000
Total authorized issue	$319,808,401

LONDON STILL WORLD'S FINANCIER

Whether London or New York will continue after the war to predominate in financing world trade is a question that has caused keen discussion in banking circles in recent years.

Leopold Frederick, director of the American Smelting and Refining Company, treasurer of the Braden Copper Company and Chile Copper Company, gave out the following statement recently:—

The popular belief is that New York to-day is the centre of world finance and that we have succeeded in wresting from London their premier position.

The question was discussed at a recent meeting of the Council on Foreign Relations held at the Metropolitan Club in New York. P. W. Wilson, of the London Daily News, in a very able speech regarding future relations between the United States and Great Britain declared "that the financial centre of the world has passed from London to New York."

Distinction Between Allied Loans and Trade Financing.

This did not coincide with the views that I held, which views were prompted by knowledge of the actual condition of the money markets both in New York and London. My speech at the meeting was in the nature of a reply to Mr. Wilson. At that time I set forth my reasons for believing that London still holds the financial supremacy. Since that time I have made a careful investigation and ascertained the approximate amount of acceptances outstanding against foreign trade in this country. I have also canvassed many authorities on the London acceptance market. The conclusions I have been able to draw from this are, as I said in reply to Mr. Wilson, "that only so far as loans made by the United States to the Allies are concerned, has the financial centre been shifted to New York; however, so far as the financing of exports and imports of the world are concerned, London is still supreme."

The following table shows the estimated amount of acceptances outstanding against international business both in London and in New York:—

London		
Acceptances of all London clearing house banks, colonial banks, foreign agencies and private bankers outstanding in the neighborhood of		$500,000,000
New York		
Acceptances of New York national and state banks and trust companies	$270,000,000	
Acceptances of foreign trade corporations and foreign agencies established in New York	55,000,000	
Acceptances of private bankers	40,000,000	
Total	$365,000,000	
Deduct acceptances issued for the purpose of financing domestic trade	155,000,000	
Leaving a total of acceptances representing the financing of imports and exports through New York		$210,000,000

London Is Trade Financier.

The foregoing figures show that London is away ahead and I believe that even with the much needed improvement of the machinery for financing international trade, London will still, for many years to come, outdistance New York. We are lacking here the large number of merchants-bankers, old established accepting houses with business ramifications all over the globe. We here will be satisfied if we can hold the Central and South American and Far Eastern business. Although dollar exchange has made great strides since the war, the New York discount market is still in its infancy. For the present, there is little likelihood that we will get, except occasionally, the financing of the continental trade of Europe. It is hardly likely that say an Amsterdam merchant importing goods from France will seek accommodation in New York; he will go as heretofore to London. It may be possible, I think, that this handicap of location will be partly overcome in the future with the aeroplane development, which would narrow down the time consumed by the mail in transit.

I dwelt especially upon the great ability of the English to maintain the sterling rate for so long at the "pegged" figure, and the discount policy of the London market, which during the monetary stringency in New York in the last few months enabled it to render great services to the Allied nations in assuming the burden of financing a vast amount of exports and imports of the world.

In order to retain their business, the English bankers have made great sacrifices during the last six months. They are paying on foreign check accounts 4¼ per cent. interest and keeping the discount rate at 3½ per cent. They know that trade flows where money is cheapest. We have to take our hats off to the English. They understand international finance.

FINANCE COMPANY DISSOLVED

The Essential Industries Finance Corporation of the United States has been dissolved, making no longer necessary the existence of this organization, which was formed a few months ago, in co-operation with the government, to aid in financing companies engaged in essential war work. The announcement was made by Eugene V. R. Thayer, president of the corporation, after a meeting of the directors.

The corporation had available at its organization in September $20,000,000 capital furnished by J. P. Morgan and Company, Guaranty Trust Company and other banking interests in New York and Philadelphia, and had placed at its disposal also $50,000,000 by the War Finance Corporation, a government body. Public utilities which the government regarded as valuable to the prosecution of the war were among the concerns aided during the life of the corporation.

BANK ADVANCES TO MUNICIPALITIES

Seasonal Variation in Amounts Owed to Banks by Municipalities, as Shown by Statements to Government

This column in the monthly government bank statement dates only from 1913. Prior to that time all such loans were included in the ordinary loans and discounts of the banks. Earlier figures, therefore, are not available for purposes of comparison.

Advances to municipalities are of two kinds: one is anticipation of the tax receipts for the year, and the other to finance works authorized by by-law and for which debentures are to be issued. From a bank's standpoint the former is most desirable business, as the course of the loan can be very accurately foretold. Usually beginning in January, steadily increasing up to midsummer, and then, as the taxes are collected, reducing, until in December it is paid off, or at least down to a minimum, the arrears of taxes being more than sufficient to take care of it.

The loan which is to be paid off from the sale of debentures, however, very frequently does not work as arranged, delays in finishing the work or in the preparation of the debentures being responsible, or, more often, the price obtainable not being satisfactory to the council of the municipality. It is this latter kind of loan which is meant when municipalities are said to be leaning on the banks for accommodation.

Since the war, however, there has been a decided change. The advances for current expenditure in anticipation of taxes have in general worked as before and been paid off promptly as the taxes came in. Municipalities, too, have been willing to accept the market price for their debentures, any delay being due entirely to the necessity of obtaining the consent of the Dominion Treasury Board to the issue, this body only permitting municipal issues at such times as to least interfere with the necessities of war finance. Just what amount of debentures is at present waiting this permission is not definitely known, but, as the municipalities have for some time kept their new work down to the minimum, the figures for the Dominion cannot be excessive.

The foregoing will apply to the whole country, with the exception of a small number of municipalities in the west and one eastern city, whose finances have been long a matter of discussion. If the loans to these are deducted from the total of advances to municipalities at the close of the year it will, we think, be found that the actual amount for which the municipal organizations of the Dominion, as a whole, are leaning on the banks for accommodation is comparatively small. The following table shows the monthly standing of these loans from 1915 to September, 1918, and illustrates clearly how the foregoing conclusions have been arrived at:—

	1915.	1916.	1917.	1918.
January	$35,952,802	$32,015,371	$24,487,272	$40,015,466
February	38,437,903	35,149,915	26,121,324	43,535,628
March	41,227,449	38,649,462	29,877,911	50,652,061
April	43,031,360	44,371,050	35,931,996	55,685,350
May	43,948,436	43,924,036	39,700,191	57,728,226
June	46,889,816	46,773,032	42,757,673	58,000,424
July	44,029,446	42,385,096	43,989,207	56,589,173
August	46,020,730	39,882,811	43,940,176	56,662,931
September	43,928,331	38,708,745	42,721,563	47,977,473
October	45,682,230	37,613,530	41,204,781	.....
November	41,064,550	32,945,963	36,459,598	.....
December	30,878,028	24,056,797	36,353,039	.....

In December and January the amounts are at their lowest, the peak of the advances being reached in July and August. At the close of the year, with the taxes paid, the balance of advances would be represented by the loans to the cities referred to and such advances as are held up pending the permission of the Treasury Board to issue debentures. In December, 1916, this was $24,056,797; in 1917, $36,353,039. The year is not yet finished, but the figures for September of this year, $47,977,472, compared with those of September, 1917, $42,721,563, do not suggest any reason to change our opinion that, as a whole, the Canadian municipalities are not unduly relying for accommodation on the banks, but are carrying out the old axiom of "paying as they go." With the coming of peace and its problems this system will undoubtedly tend to lessen, in one direction at least, the friction incidental to the solution of these problems.

CANADIAN SECURITIES IN LONDON

Treasury Restrictions Not Likely to be Removed for Some Time

By C. Cambie.

Canada for many years prior to the war was an extensive borrower in this market and it is to its credit that with the exception of a few small issues, mainly renewals of short dated Canadian railway and provincial obligations, there have been no Canadian flotations of magnitude during the past few years. From a borrower it has become a lender to the United Kingdom through the financing of supplies of food, munitions and other necessities. Furthermore, the home investment demand has absorbed large amounts of Canadian securities previously placed in London and this has tended to lessen the supply here to such an extent that it has frequently been found that the market is bare of stock when a demand arises in connection with the purchase for sinking funds or investment purposes. Canadian issues measure up to the highest grade and stand foremost in popularity amongst Dominion and colonial securities with investors who desire to distribute their holdings.

It is well to bear in mind, however, that the regulation providing that all proposed issues must be submitted for the approval of the treasury still remains in force. With the present condition of exchanges and the heavy commitments which Great Britain has abroad, chiefly as a result of the large measure of assistance granted to the allies, it is doubtful whether this restriction will be removed for some time. This of course would postpone further flotations in this market, but, on the other hand, it should tend to strengthen the position of Canadian securities here and enable Canada to ultimately borrow on a better basis.

GERMAN BANK HEADS LIST

The Imperial Bank of Germany was the leading bank of end of 1917 of $1,100,000,000. Since then this institution has Before the war, the deposits in the Bank of Germany scarcely touched $200,000,000. Now they are over $2,000,000,000.

The next largest bank a year ago was the State Bank of Russia, with $1,720,000,000 deposits, against $629,640,000 at the end of 1913, which was, at that time, the leading position of all banking institutions. The third position on December 31st, 1917, was taken by another German bank, the Deutsche Bank, with $1,415,000,000 deposits.

Considering affairs in Russia and the present fate of Germany a doubtful importance is attached to the position of these three banking institutions at the top of the list. It will be interesting to observe what positions they occupy when reports are assembled of their condition at the end of the current year.

The London City and Midland Bank occupies fourth place among the world's greatest banks, with deposits at the end of 1917 of $1,100,000,000. Since then this institution has merged with the London Joint Stock Bank, and has total deposits of over $1,500,000,000. Lloyd's Bank had deposits of $850,000,000, and the Bank of England $830,000,000.

The National City Bank of New York occupied ninth place with $725,000,000, deposits and the Guaranty Trust Company is thirteenth on the list of great banks, with $570,000,000 deposits.

The following table shows the first sixteen of the world's largest banks arranged in the order of their deposits at the end of 1917 compared with the deposits at the end of 1913:—

	1917.	1913.
Bank of Germany	$2,055,000,000	$198,470,000
Bank of Russia	1,720,000,000	629,640,000
Deutsche Bank	1,415,000,000	395,010,000
London City and Midland	1,100,000,000	469,170,000
Lloyd's Bank	870,000,000	521,530,000
Bank of England	830,000,000	356,785,000
London County and Westminster	730,000,000	441,570,000
Dresden Bank	730,000,000	239,600,000
National City of New York	725,000,000	221,330,000
Disconto Gesellschaft	725,000,000	250,000,000
Barclay's Bank	640,000,000	304,000,000
Bank of France	610,000,000	201,590,000
Guaranty Trust, New York	570,000,000	166,930,000
National Provincial of England	560,000,000	339,410,000
Oesterreichische Credit	530,000,000	180,025,000
Credit Lyonnais	496,000,000	446,995,000

OUR ADEQUATE BANKING SYSTEM

Financial Stability of Canada Largely Due to Banking System

By Sir Frederick Williams-Taylor

The ease with which financial Canada has met the stress of war conditions has been favorably commented upon abroad. At home one hears no expression of surprise at the stable financial conditions in the Dominion.

The real basis of that stability is a banking system that has proved most efficient in peace times and, with the facilities accorded by the Minister of Finance, has withstood the severe test of war times. The system as it stands is, without doubt, adequate to meet any possible demands arising during the reconstruction period and for years thereafter. The public, long accustomed to banking stability, now accept it as a matter of course. It is quite possible that the economic and financial problems of the next few years will be more difficult to surmount than those we have faced of late.

The anticipated disturbance in bank deposits resulting from domestic Government war loans has subsided, as was to be expected. Seeing that the proceeds of such loans remain in the country, the money, of necessity, finds its ultimate way back to the banks through one channel or another; and, therefore, the loanable capital of the banks is, in the long run, undiminished. On the other hand, the strength of a banker's position lies largely in his command of numerous small deposits. The volume of deposits has increased by many millions, but the number has not grown proportionately.

As regards profits, an impression exists that these war years have been unusually fruitful for the banks. The reply is that when adequate provision has been made for unknown future rates of taxation in Canada and elsewhere, for the increased cost of administration, for heavy depreciation in even the most gilt-edged securities, it may be stated without reservation that the net results are none too ample for safety. I would emphasize another point, viz., that while the cost of everything else has risen, the public have paid no higher rate of interest for banking accommodation than before the war.

Now that the war is won, the foremost thought in every serious Canadian mind to-day is directed toward the future. Every business in the country, large and small, from our great railways to the small shops, is concerned and involved. As the business of our banks is with the whole community, we are specially and vitally interested. War prices have brought great prosperity to land and water transportation companies, to merchants, to manufacturers, to farmers, and to the laboring class. Only the salaried class and those whose incomes are fixed have suffered. Not only are prices of all commodities unprecedentedly high, with a liberal margin of profit, but the demand for the staples of life and many luxuries is unlimited.

CHECKS DRAWN ON INSUFFICIENT ACCOUNTS

Courts Have Ruled that Drawer May Be Made to Pay, but Money Need Not Be Returned by Payee

If A gives B a check on a bank for $1,000, the bank, of course, is not bound to pay the check unless A has sufficient funds to cover it. If the bank, however, makes a mistake and pays the check when A has no funds to cover it, the bank can compel A to pay the amount.

Now, if the bank pays B by mistake, and A has left the country before the mistake is discovered, or is insolvent, this question will arise—can the bank compel B to return to the bank the amount so paid him by mistake?

In this connection a case recently decided by the Washington Supreme Court under the name of Spokane and Eastern Trust Company vs. Huff arose out of a rather interesting state of facts, and the court laid down an important rule of banking law.

In the case mentioned a customer gave one Huff a check on the Spokane and Eastern Trust Company, and when the check was presented the customer did not have sufficient funds to meet it. Through an error, however, the company paid the check, and, when they discovered the mistake, sued Huff to recover the amount which they had paid him.

The Supreme Court of Washington decided against the trust company, on the ground that when a check is presented to a bank and the bank pays it under the mistaken belief that the customer has sufficient funds on deposit to cover it, the bank cannot recover the amount of the check from the person to whom it was paid.

In a similar case the Maryland Court has laid down the rule as follows:—

"It is the duty of a bank to know the state of its depositor's account, and if it makes a mistake in this respect it must abide the consequences. The presentation of a check is a demand for payment; if it is paid, all the rights of the payee have been satisfied, and he is not entitled to ask any questions. It would forever destroy the character of a bank in all commercial circles, if when it was ready and willing to pay a check, it permitted the holder to inquire if the drawer had funds there to meet it. It is a matter with which he has no concern. In the absence of fraud on the part of the holder, the payment of a check by a bank is regarded as a finality. And the fact that the drawer had no funds on deposit will not give the bank any remedy against the holder."

"As between the holder of a check," says the New Jersey Court, "and the bank upon which it is drawn, the latter is bound to know the state of the depositor's account. Before paying the check it must take into consideration whether it was drawn against funds and whether the order for payment, evidenced by the check, has subsequently been revoked. Therefore, where a bank receives in the ordinary course of business a check, drawn upon it and presented by a bona fide holder, who is without notice of any infirmity therein, and the bank pays the amount of the check to such holder, it finally exercises its option to pay or not to pay, and the transaction is closed as between the parties to the payment."

SEVENTEEN BILLION OF BANK DEPOSITS

The following list of a few of the largest banks in the more important countries, with their affiliations, afford an interesting illustration of where the greatest institutions stand in point of view of deposits:—

Germany	
Deutsche Bank	$2,250,000,000
Disconto-Gesellschaft	1,500,000,000
Dresdner	1,100,000,000
Bank fur Handel, etc.	450,000,000
Commerz und Disconto	400,000,000
United Kingdom	
London Joint City and Midland	$1,570,000,000
Lloyds	1,500,000,000
London County, Westminster & Parrs	1,250,000,000
National Provincial & Union of England	900,000,000
New York City	
National City	$687,837,000
Guaranty Trust	551,223,000
National Bank of Commerce	379,853,000
Chase National	370,630,000
Bankers Trust	294,678,000
France	
Credit Lyonnais	$495,000,000
Comptoir National	380,000,000
Societe Generale	350,000,000
Canada	
Bank of Montreal	$475,000,000
Royal	325,000,000
Bank of Commerce	282,000,000
Italy	
Banca Commerciale	$400,000,000
Credito Italiano	315,000,000
Banca Italiana di Sconto	205,000,000
Argentine	
Banca de la Nacion	$380,000,000

The total of deposits of these twenty-four banks is almost $17,000,000,000, or just about the total national wealth of Canada.

Sir Robert Kindersley announces that the War Savings Organization, which has been successfully promoting the national thrift campaign in England, will continue operations, selling war savings certificates, whose five-year maturity period will now be optionally extended to ten years. The original cost of fifteen shillings six pence will become twenty shillings for five years or twenty-six shillings for ten years; but the certificates will be saleable meanwhile at a price ascending a penny monthly.

COURSE OF CURRENT LOANS

Banks Have Had to Assist Victory Loan Subscribers and at Same Time Provide for Ordinary Business

By R. D. Little

When the war suddenly broke out in 1914 the Canadian banks had been operating for over a year through a period of retrenchment. There had previously been extreme activity, both industrially and speculatively, but the signs of the times warned the banks that caution was necessary. This was in 1913, when they called a halt to loans for speculative purposes and commenced to build up their reserves. The result of their action was quickly shown in the reduction produced in their current loans in Canada, when they fell from $899,296,009 in June, 1913, to $840,198,625 in July, 1914. Then down again to $758,349,517 in July, 1915.

During the War Period.

For another year they fluctuated only slightly around this until in August, 1916, they again declined to $739,938,513.

This was the lowest point reached in the downward movement. By this time complete confidence in our ability to withstand the devastating results of war had been restored, and while no money was being loaned for speculative or non-productive purposes, there was ample money for taking care of the proper industrial and farming activities of the country. In fact, from this date loans began to expand comparatively rapidly, money being used for industries producing articles connected with the war and in assisting farmers to produce more food.

By June, 1918, they had reached the high peak mark of the pre-war activity, and by October, 1918, they reached the highest point in the history of the Canadian banks, namely, $1,003,593,603.

This figure represents an increase of $163,394,978 in current loans in Canada since July, 1914, while in the same period current and savings deposits have increased by $462,-781,123; the difference in which has gone into Dominion and provincial government securities and Canadian municipal and British and foreign securities.

This was the position when Canada's second Victory Loan was floated. One of the features of the Victory Loan campaign was the undertaking of the banks to finance all reasonable requests for loans to subscribers who were able to repay inside of a year.

This promise has now been fulfilled and the result will no doubt show in the forthcoming government returns. While it was of extreme importance for the banks to assist subscribers to this extent, it is also imperative that they should continue to provide for the ordinary activities of the country's production, as long as the production be of such a nature as to be of value to the community; and it was this essential requirement that the banks had to keep in mind in making loans for bond purchasing purposes.

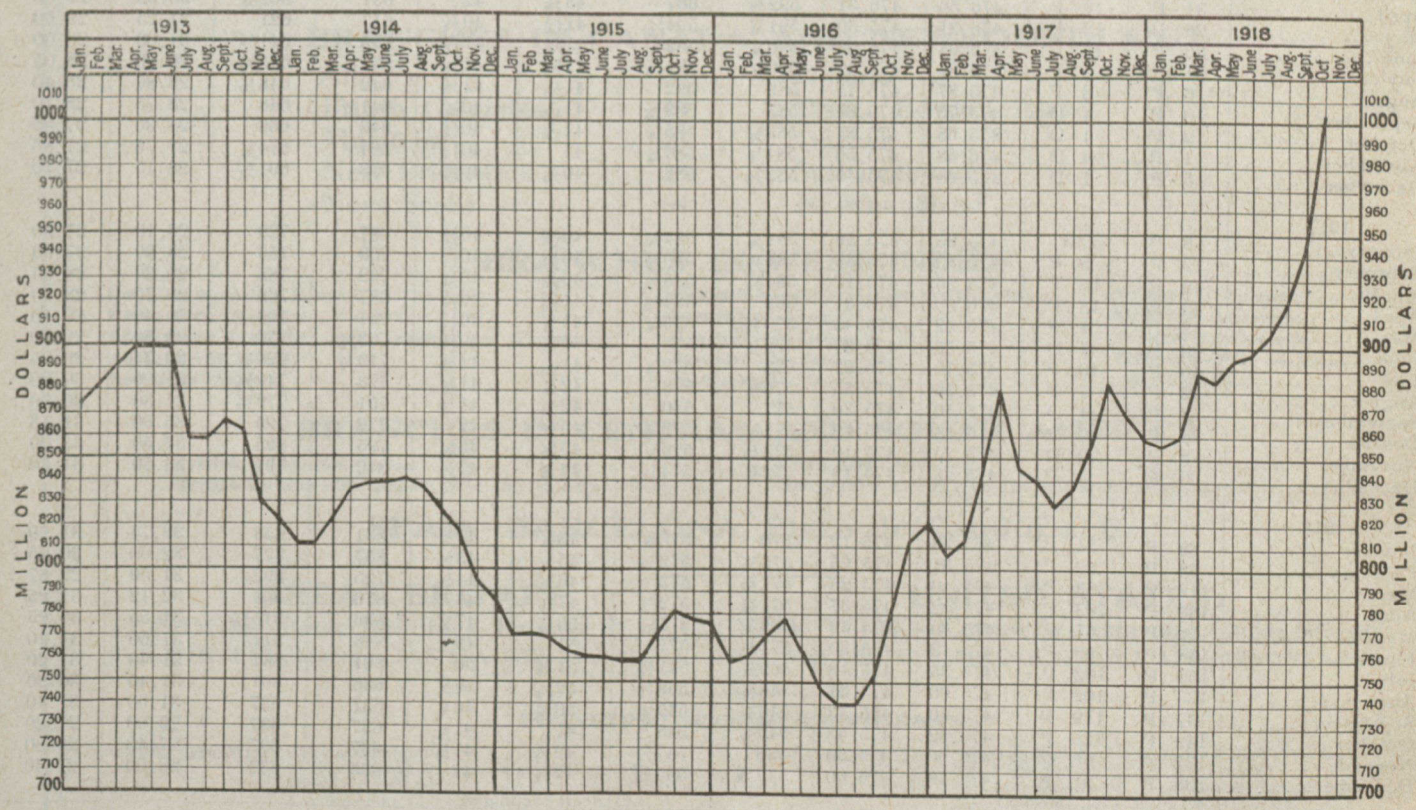
The Outlook.

Each bank is interested in its own special clients—in seeing their business progress, following which their accounts will naturally become more desirable. Their interest is to place at the disposal of these firms such funds as are properly required and consistent with good business. To refuse loans to clients carrying on business of even what, under war conditions, we could call an unessential nature is harmful to the industrial expansion of the country.

Consequently, now that peace is declared, it is not likely that loans will be refused to clients whose requirements comply with proper banking principles, for this reason we may expect to see an expansion in loans provided the means to make loans, namely deposits, continue to hold up.

It is rather interesting to note that, while in 1914 the percentage of current loans in Canada of the total assets of the banks was in the proportion of 53 per cent., it has now fallen to 38 per cent. It consequently appears reasonable that this figure will now commence to expand, the banks financing such expansion either through increase in deposits or by converting some of their other assets into loans.

The accompanying chart shows the trend of current loans in Canada since 1913.



The Saskatchewan Farm Loans Board received applications for a total of 3,156 loans, aggregating $6,575,728 up to December 31st, 1917. The board declined 243 applications and accepted 946 for an aggregate loan of $1,628,650, according to a report tabled by the Hon. Chas. A. Dunning for the year 1917. The total investment of the board up to that date was $220,648 and a net loss was incurred amounting to $13,388. The losses were largely due to the unwillingness of unsuccessful applicants to pay inspection fees. The board, however, does not expect to make the organization self-sustaining until the entire fund of $5,000,000 has been loaned out.

RECORD OF INTERNATIONAL EXCHANGE QUOTATIONS 1914-1918

(Compiled for The Monetary Times by J S. Munro, Foreign Department, The Canadian Bank of Commerce)

Months and Years	New York Funds in Canada (in 64ths)		Sterling		France (Francs)		(Holland) Guilders		(Italy) Lire		(Norway) Kroner	
	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
1914												
July	1 P	5 D	492.00	485.30	505	516 7/8	40 1/4	40 1/16	516 7/8	518 1/8	26.75	26.72
August	4 P	80 D	507 50	506.00	No quotations		No quotations		No quotations		No quotations	
September	20 D	80 D	506.00	495.25	506	510	No quotations		No quotations		No quotations	
October	Par	56 D	497.50	489.40	505	515	No quotations		No quotations		No quotations	
November	36 D	Par	490.65	486.85	510	515 1/2	40 7/8	40 1/2	533	540	26.00	25.00
December	56 P	6 P	489.15	485.00	511 1/4	517	40 3/8	40 1/4	524	536	25 1/2	25.00
1915												
January	64 P	20 P	485.05	483.95	516 1/4	519 1/4	40 1/16	40	533 1/8	544	25 1/8	24 3/4
February	52 P	28 P	484.70	479.15	518 1/4	528	40 1/16	39 7/8	542 1/2	580	25.00	24 3/8
March	52 P	40 P	481.15	478.55	525 1/8	532 1/4	40	39 1/2	563	595	25.30	24 1/4
April	44 P	36 P	479 80	478.90	531 5/8	532 3/4	39 3/8	39 1/16	576 1/2	589	25.90	25.05
May	40 P	32 P	479.80	478.25	531 7/8	543	39 1/16	39 3/8	575	592	26.30	25.75
June	52 P	40 P	478.45	475.85	543	570	40	39 1/16	591	616	26.55	26.20
July	48 P	16 P	476.75	476.00	553	570 3/4	40 1/8	39 7/8	609	640	26 35	25.60
August	20 P	2 P	476.25	455.00	564	602	40 1/16	39 1/2	620	652	26.25	25.40
September	22 P	6 P	471.87	454.00	576	601	40 1/2	39 1/2	615	652	26.25	25.25
October	8 P	Par	472.37	461.62	579	598 1/2	41 1/2	40 1/2	622	646	26.30	25.65
November	2 P	4 D	471.37	463.50	582 1/2	599	42	41 1/4	643	651	29.00	26.10
December	5 P	5 D	473.65	470.25	583 1/2	588	43 1/4	41 7/8	651 1/2	660	29.00	27.00
1916												
January	22 P	4 P	478.00	473.63	583 1/2	588	44 7/8	42 5/8	653	678	28.10	27.35
February	53 P	22 P	476.50	475.81	586	590 1/2	42 5/8	41 11/16	667 1/2	676	28.30	27.55
March	52 P	9 P	476.94	475.87	587 1/4	598	42 11/16	42 1/32	652	671 1/2	28.95	28.10
April	31 P	18 P	476.56	476.31	592 1/2	607	43 1/8	42	631	662 3/4	30.35	29.00
May	26 P	12 P	476.31	475.50	591 1/4	594 1/2	41 13/16	40 7/8	647	621	31.25	29.60
June	30 P	14 P	476.94	475.06	590 3/4	592 1/4	41 3/4	41 7/16	635	641 1/8	31.00	28.00
July	31 P	5 P	475.87	475.69	590 3/4	591 1/8	41 1/2	41 3/8	637 3/4	649 1/4	29.20	28.05
August	16 P	6 P	475.87	475.75	589	592	41 3/8	41 1/8	642	648 1/2	28.80	28.40
September	10 P	1 D	475.75	475.69	583	589 3/8	41 1/16	40 3/4	641 3/4	648	28.75	28.10
October	2 P	1 D	475.68	475.37	583 3/4	585 1/4	41 1/16	40 13/16	646	666	28.35	27.65
November	1 P	4 D	476.68	475.56	584 1/4	584 3/4	41	40 11/16	664	674 3/4	27.75	27.66
December	5 P	1 D	475.68	475.45	583 3/8	586	40 7/8	40 13/16	673	691 1/2	28.15	27.70
1917												
January	8 P	Par	475.85	475.56	584 1/4	584 3/4	40 13/16	40 13/16	687	720	28.10	27.90
February	72 P	5 P	475.80	475.33	584 3/8	585 1/2	40 13/16	40 1/16	709	756	28.00	27.90
March	48 P	16 P	475.56	475.12	584 3/8	585 1/2	40 9/16	40 1/4	762	785	29.30	28.05
April	33 P	18 P	476.00	475.31	568	584 1/2	41 1/16	40 9/16	687	768	29.70	28.30
May	33 P	1 P	475.62	475.45	570 5/8	573 3/4	41 1/4	40 13/16	701	706	29.40	29.10
June	20 P	1 D	475.55	475.37	572 1/4	578	41 1/4	40 13/16	703 1/2	736	29.50	29.00
July	40 P	10 P	475.70	475.37	573	579 1/4	41 7/16	41 1/8	719 1/2	726 1/4	30.75	29.25
August	12 P	7 P	475.56	475.55	576 1/4	578 1/2	42 1/4	41 3/4	723	749 1/2	31.00	30.00
September	8 P	4 D	475.50	475.30	577	580	42 1/8	41 7/8	751	779 1/2	31.30	30.30
October	4 P	60 D	475.38	475.19	571 3/4	579 5/8	45 1/4	42	772	795	35.50	31.13
November	8 P	20 D	475.25	475.19	573 3/8	576 3/4	45 1/2	43 1/2	795	895	37.50	33.00
December	30 P	3 P	475.25	475.19	572 3/4	574 1/8	44 1/4	43 1/2	842	791	33.50	31.50
1918												
January	88 P	34 P	475.33	475.12	570	573 3/4	43 3/4	42 3/4	831	858	32.75	31.00
February	88 P	62 P	475.31	475.25	570 1/2	572 1/2	45 1/4	43 1/2	857	877	32.00	30.25
March	112 P	63 P	475.40	475.25	571 3/8	573	46 1/4	44 1/2	795	892	31.50	29.87
April	130 P	103 P	475.52	475.37	571 7/8	572 7/8	47 1/2	46	876	901	32.12	31.25
May	112 P	67 P	475.50	475.43	569 5/8	571 13/16	50 1/2	47 3/4	896	915 1/2	31.55	30.75
June	158 P	98 P	475.43	475.30	571 3/8	571 3/4	51	49 1/4	886	911	31.60	31.20
July	152 P	102 P	475.35	475.18	569 3/4	571 3/8	51 7/8	50	801	881	31.40	31.20
August	133 P	102 P	476.06	475.31	544 3/4	569 5/8	52 1/2	50 3/4	636	801	31.45	30.90
September	137 P	119 P	475.50	475.43	546 3/4	549 1/2	50 1/2	46 3/4	631	637	31.00	31.40
October	142 P	128 P	475.52	475.43	546 3/4	548 5/16	47	41 3/4	637	637	29.80	27.20
November	131 P	86 P	476.00	475.50	539	547 1/2	42 1/8	41 1/4	637	637	27.40	26.80
December	103 P	91 P	475.70	475.00	545 3/8	545 3/8	42 1/2	42	636	637	28.00	27.40

Aggregate resources of the 28,800 banks in the United States, state and national, last June 30th, amounted to $40,-210,000,000, of which $22,371,000,000 was credited to the 21,175 state, savings and private banks and trust companies, and $17,839,000,000 to the 7,705 national banks. This was shown by a recent report of the comptroller of the currency.

Deposits in the state banks amounted to $18,567,000,000 and loans to $12,426,000,000 showing an increase of five per cent. in deposits over the record of the year previous and of 6.5 per cent. in loans.

National banks showed $14,002,000,000 deposits, an increase of 9.8 per cent., and $9,620,000,000 in loans, an increase of 9.1 per cent.

All banks, state and national, had $32,569,000,000 deposits and $26,046,000,000 loans.

THE ROYAL BANK OF CANADA

INCORPORATED 1869

CAPITAL AUTHORIZED -	$25,000,000	RESERVE FUNDS - -	$15,000,000
CAPITAL PAID-UP - -	$14,000,000	TOTAL ASSETS - -	$425,000,000

HEAD OFFICE - MONTREAL

BOARD OF DIRECTORS:

SIR HERBERT S. HOLT, President — E. L. PEASE, Vice-President — E. F. B. JOHNSTON, K.C., 2nd Vice-President

JAS. REDMOND	HUGH PATON	W. J. SHEPPARD	C. E. NEILL	C. C. BLACKADAR
G. R. CROWE	WM. ROBERTSON	C. S. WILCOX	SIR MORTIMER B. DAVIS	JOHN T. ROSS
D. K. ELLIOTT	A. J. BROWN, K.C.	A. E. DYMENT	G. H. DUGGAN	R. MacD. PATERSON
HON. W. H. THORNE				W. H. McWILLIAMS

E. L. PEASE, Managing Director — C. E. NEILL, General Manager — M. W. WILSON, Supt. of Branches
F. J. SHERMAN, Asst. General Manager

532 BRANCHES IN CANADA, NEWFOUNDLAND, WEST INDIES, &c.

BRANCHES IN CANADA AND NEWFOUNDLAND

Alberta - -	30	Ontario - -	143
British Columbia -	40	Prince Edward Island	5
Manitoba - -	25	Quebec - -	50
New Brunswick -	19	Saskatchewan - -	101
Nova Scotia - -	54	Newfoundland - -	6

BRANCHES IN WEST INDIES

Cuba—26 Branches. Havana, Santiago, etc.
Porto Rico—Mayaguez, Ponce, San Juan.
Dominican Republic—Santo Domingo, etc (5 branches)
Antigua—St. John's.
Bahamas—Nassau.
Barbados—Bridgetown and Speightstown.
Dominica—Roseau.
Grenada—St. George's.
Jamaica—Kingston.
Montserrat—Plymouth.
Nevis—Charlestown.
St. Kitts—Basseterre.
Tobago—Scarborough.
Trinidad—Port of Spain and San Fernando.

BRANCHES IN CENTRAL AND SOUTH AMERICA

British Honduras—Belize.
British Guiana—Georgetown, New Amsterdam and Rose Hall.
Costa Rica—San Jose.
Venezuela—Caracas, Cuidad Bolivar, Maracaibo and Puerto Cabello.

SPAIN—BARCELONA, Plaza de Cataluña, 6.

GREAT BRITAIN:

LONDON—Bank Buildings, Princes St., E.C.
T. R. WHITLEY, Manager. JAS. MACKIE, Joint Manager.

UNITED STATES:

NEW YORK—Corner William and Cedar Streets
F. T. WALKER, C. E. MACKENZIE & J. A. BEATSON, Agents

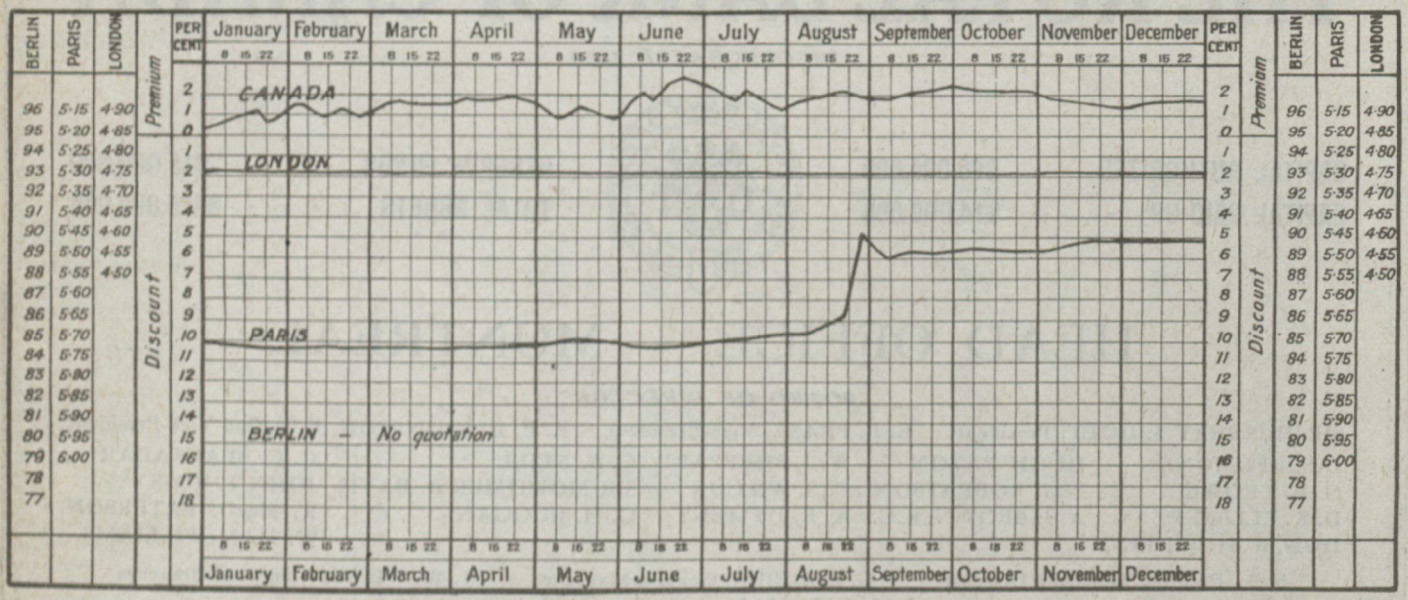
PRINCIPAL CORRESPONDENTS:

GREAT BRITAIN	Bank of England. London County, Westminster and Parr's Bank, Ltd. Bank of Scotland London Joint City and Midland Bank, Ltd.
UNITED STATES	New York—Chase National Bank. " First National Bank. " National Bank of Commerce. " Merchants National Bank. Boston—National Shawmut Bank. " First National Bank. Chicago—Continental & Commercial National Bank. Philadelphia—Philadelphia National Bank.
UNITED STATES	Minneapolis—First & Security National Bank. San Francisco—First National Bank. Buffalo—Manufacturers & Traders National Bank. New Orleans—Canal Bank and Trust Co.
SOUTH AMERICA	London and Brazilian Bank, Limited
FRANCE	Crédit Lyonnais, Comptoir National d'Escompte. Société Générale.
SPAIN	Crédit Lyonnais, Garcia-Calamarte & Co.
ITALY	Credito Italiano.
CHINA & JAPAN	Hongkong and Shanghai Banking Corporation.
AUSTRALASIA	Bank of New South Wales.

STERLING AND INTERNATIONAL EXCHANGE QUOTATIONS FOR 1918

(Compiled for The Monetary Times by Mr. J. S. Munro, Toronto.)

Graph Showing the Percentage Premium or Discount on the Gold Par of Exchange of the Rates quoted in New York for Cheques on London and Paris respectively, during 1918.



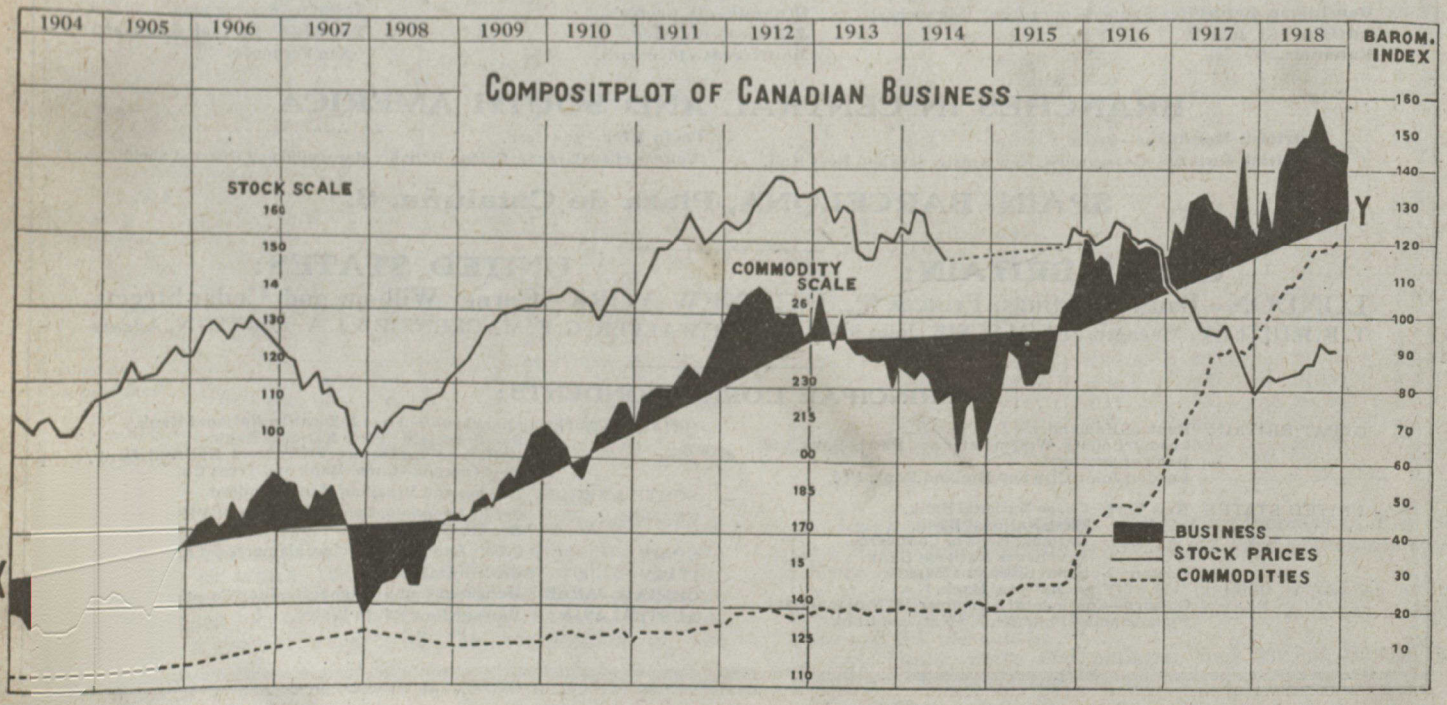
EXPLANATION OF THE COMPOSITPLOT

The black areas are formed by combining monthly figures on bank clearings, failures, railroad earnings, new building and other subjects which indicate the trend of business. The X-Y line represents the country's net gain or growth, based on the economic theory that "action and reaction" are equal when the two factors of time and intensity are multiplied to form an area. The sums of the areas above and below said line X-Y must, over sufficently long periods of time, be equal. The areas, however, need not have the same shape.

When considering that the X-Y line represents normal business activity the black areas above the X-Y line represent over-stimulation of business, while the areas below the line represent business depression. The area below the line is really the reaction from extravagance, inefficiency, and over-expansion which existed in the preceding area above the line. Thus while there is no definite means of knowing how large the area of expansion may develop, we always know that such areas must be followed by a corresponding depression, or rest period in business. Moreover as above stated, the reaction below the X-Y line will be approximately equal to the initial expansion above the X-Y line.

The chart of stock prices on the plot represents the prices of ten representative Canadian issues. The dash line of the commodity prices represents the index of the "Canadian Labor Gazette."

To use this compositplot in connection with one's own business the observer should plot his own sales thereon and note what portion of the respective areas has been consumed when his own sales were the greatest or smallest.



THE CANADIAN BANK OF COMMERCE

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L.
President.

Z. A. LASH, K.C., LL.D.
Vice-President.

SIR JOHN AIRD
General Manager.

H. V. F. JONES
Assistant General Manager

HEAD OFFICE, TORONTO

ESTABLISHED 1867

CAPITAL PAID-UP $15,000,000

RESERVE FUND $15,000,000

Head Office

With branches in every important city and town in Canada, also in Newfoundland, Great Britain, United States and Mexico, this Bank has the organization and financial strength to render unexcelled service.

Total Assets 30th November, 1918 - - $440,310,703

BOND SALES IN CANADA, 1918

Borrower	Amount	Securities	Rate %	Term Years	Remarks
	$	**CORPORATION**			
February					
Shawinigan Water and Power Co.	1,500,000	Convertible Gold Notes	6	2	Offered to shareholders at 97½. Part of an issue of $4,500,000, of which $3,000,000 was sold in the United States.
Mattagami Pulp & Paper Co.	100,000	Bonds	6	20	First Mortgage Bonds. Sold to the Royal Securities Corporation.
March					
Page Wire Fence Co.	200,000	Bonds	.....	.....	Sold to Credit-Canadien, Inc., of Montreal.
April					
Southern Canada Power Co., Ltd.	1,000,000	Coupon Bonds	6	35	Purchased by Nesbitt, Thomson & Co., and resold privately to investors to yield 6 per cent., with 50 per cent. common stock bonus.
May					
Hawkesbury Elec. Lt. & Power Co.	125,000	2nd Mortgage Coupon Debs.	7	5	Bought by Nesbitt, Thomson & Co., and resold to investors to yield 8 per cent.
June					
Hydro Electric Power Commission	300,000	Bonds	4	40	Sold to R. C. Matthews & Co., of Toronto. Offered at 69.33 and interest.
December					
Toronto-Hamilton Highway Com.	340,000	Bonds	6	2	Purchased by the Dominion Securities Corporation, of Toronto, free from provincial taxes and succession duty. Offered at 99.50.
	3,565,000	**GOVERNMENT**			
January					
Saskatchewan	630,000	Gold Bonds	5	15	Sold privately to a syndicate of Bond Houses.
Manitoba	1,000,000	Gold Bonds	5	2	Sold to a syndicate composed of Wood, Gundy & Co., A. E. Ames & Co., and Dominion Securities Corporation. Offered at 96.97 and Interest.
Manitoba	1,000,000	Gold Bonds	6	10	Sold to same syndicate. Offered at 98.16 and Interest.
February					
New Brunswick	1,000,000	Coupon Gold Bonds	6	10	Sold to A. E. Ames & Co., of Toronto, in joint account with J. M. Robinson & Sons, of St. John, N.B. Issue was offered at 99.08 and Interest.
Ontario	2,800,000	Coupon Gold Bonds	6	10	Part of an issue of $3,000,000, sold to a syndicate, comprising Dominion Securities Corp., Wood, Gundy & Co., and A. E. Ames & Co., all of Toronto, offered at par.
March					
British Columbia	1,000,000	Gold Bonds	5	10	Sold to W. A. Mackenzie & Co., of Toronto, and Brent, Noxon & Co., of Toronto. Offered at 89.10.
Nova Scotia	1,250,000	Gold Bonds	6	10	$750,000 sold to Halifax Relief Commission; $250,000 to Standard Bond Corporation, and $250,000 to Workmen's Compensation Board of Nova Scotia, all at 98 and interest.
May					
Ontario	4,000,000	Gold Bonds	6	10	Sold to syndicate, composed of R. C. Matthews & Co. and Jarvis & Co., Toronto, and Hanson Bros. and C. Meredith & Co., Montreal, at 99.49 and interest. Offered at par and interest.
New Brunswick	400,000	Bonds	6	10	Sold locally on a basis of par and interest.
June					
Saskatchewan	1,200,000	Coupon Gold Bonds	6	20	Sold to Nay & James, of Regina, at 94.625. This firm was acting for Brent, Noxon & Co., A. E. Ames & Co., Wood, Gundy & Co, Dominion Securities Corporation, and W. A. Mackenzie & Co., all of Toronto. Offered at 96.62 and interest.
Alberta	825,000	Gold Bonds	6	10	Sold to C. H. Burgess & Co., and the Canada Bond Corporation of Toronto at 95.83. Offered at 97.08.
July					
Manitoba	1,000,000	Bonds	6	10	Sold to syndicate, comprising R. C. Matthews & Co., of Toronto, and Harris, Forbes, Inc., C. Meredith & Co., and Hanson Bros., of Montreal. Price 96.77.
August					
Ontario	1,900,000	Gold Bonds	6	10	Sold to a syndicate, comprising R. C. Matthews & Co., of Toronto, C. Meredith & Co., of Montreal, and Hanson Bros., of Montreal, at 99.49 and accrued interest.
November					
Canada	664,016,000	Victory Loan Bonds	5½	5 & 15	Sold by Subscription. About $25,000,000 sold in the United States.
	682,021,000				

THE BANK OF NOVA SCOTIA

CAPITAL PAID-UP	- -	$ 6,500,000
RESERVE FUND	- -	12,000,000
TOTAL ASSETS	- -	Over 135,000,000

Head Office - - - HALIFAX, N.S.

Board of Directors

CHARLES ARCHIBALD, President
G. S. CAMPBELL and J. WALTER ALLISON, Vice-Presidents

JOHN Y. PAYZANT	W. W. WHITE, M.D.	HECTOR McINNES	S. J. MOORE
HON. N. CURRY	W. D. ROSS	JAMES MANCHESTER	HON. M. C. GRANT

GENERAL MANAGER'S OFFICE - - TORONTO, ONT.

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

BRANCHES IN CANADA

30 in Nova Scotia	62 in Ontario	8 in Quebec
7 in Prince Edward Island	33 in New Brunswick	14 in Western Provinces

IN NEWFOUNDLAND

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

IN WEST INDIES

Havana, CUBA. San Juan, PORTO RICO.

JAMAICA—Black River, Kingston, Mandeville, Montego Bay, Morant Bay, Port Antonio, Port Maria, Spanish Town, St. Ann's Bay, Savanna-la-Mar.

IN UNITED STATES

BOSTON CHICAGO NEW YORK (AGENCY)

Correspondents

GREAT BRITAIN—London Joint City and Midland Bank, Limited; Royal Bank of Scotland.

FRANCE—Credit Lyonnais.

UNITED STATES—Bank of New York, N.B.A., New York; Merchants National Bank, Boston; First National Bank, Chicago; Fourth Street National Bank, Philadelphia; Citizens National Bank, Baltimore; Canadian Bank of Commerce, San Francisco; First and Security National Bank, Minneapolis; First National Bank. Seattle.

MUNICIPAL BOND SALES IN CANADA, 1918

Sales in	Amount	Sales in	Amount	Sales in	Amount
	$		$		$
January	561,000	June	10,108,696	November	249,270
February	5,243,279	July	1,415,946	December	2,247,483
March	9,191,643	August	3,258,307		
April	3,968,995	September	761,600	Total	41,860,361
May	4,751,142	October	103,000		

CANADIAN BOND SALES IN THE UNITED STATES, 1918

Borrower	Amount	Securities	Rate %	Term Years	Remarks
December	$	**CORPORATION**			
Toronto Street Railway Company	1,000,000	Refunding Notes	6	2	Sold to the Dominion Securities Corporation, of Toronto, and W. A. Read & Co., of New York.
	1,000,000				
July		**RAILROAD**			
Canadian Northern Railway	5,000,000	Equipment Bonds	6	.....	Sold to the Dominion Securities Corporation, of Toronto, and W. A. Read & Co., of New York.
	5,000,000				
February		**GOVERNMENT**			
Ontario	200,000	Coupon Gold Bonds	6	10	Part of an issue of $3,000,000, sold to Wood, Gundy & Co., Dominion Securities Corporation, and A. E. Ames & Co., all of Toronto, offered at par.
June					
Saskatchewan	300,000	Coupon Gold Bonds	6	20	Part of total issue of $1,500,000 (see sales in Canada).
August					
Ontario	100,000	Gold Bonds		10	Part of an issue of $6,000,000, sold partly in May and partly in August to a Canadian syndicate.
November					
Canada	25,000,000	Victory Loan Bonds	5½	5 & 15	Sold by subscription.
	25,600,000				
January		**MUNICIPAL**			
St. Thomas, Ont.	10,000	Bonds	5	.....	Sold to the insurance branch of the Knights of Pythias, Indianapolis, Ind.
February					
Greater Winnipeg Water District	300,000	Gold bonds	5	5	Part of an issue of $2,000,000, sold to Wood, Gundy & Co., Toronto.
October					
New Westminster, B.C.	170,000	Bonds	6	5	Sold to the Lumbermen's Trust Corporation of Portland, Ore. The offer called for disposing of bonds at 91 with accrued interest, and the exchange on foreign money, which makes the money worth a small fraction over 93.
December					
New Westminster, B.C.	230,000	Bonds	6	5	Sold to the Lumbermen's Trust Corporation of Portland, Ore.
Toronto Harbour Commission	1,000,000	Bonds	4½	35	Sold to the Dominion Securities Corporation, of Toronto, and W. A. Read & Co., of New York. A price of 83.39 was paid, or an equivalent of about 84.70 at Toronto on the basis of exchange arranged.
	1,710,000				

Canadian Municipal Bond Sales in Canada Only, By Months, 1911-1918.

	1911.	1912.	1913.	1914.	1915.	1916.	1917.	1918.
January	$ 420,337	$ 2,133,531	$ 1,337,500	$ 1,953,137	$ 1,784,947	$ 1,909,441	$ 1,969,256	$ 561,000
February	1,037,287	2,596,378	1,038,806	5,995,336	3,047,011	1,419,909	458,874	5,243,279
March	6,271,925	1,926,716	335,492	5,123,176	2,572,357	2,027,741	229,013	9,191,643
April	3,910,288	927,169	3,693,857	2,847,953	8,603,094	1,979,852	1,182,974	3,968,995
May	3,946,047	1,928,748	880,630	6,400,755	3,464,281	2,649,000	1,375,039	4,751,142
June	3,983,670	1,690,344	2,435,726	4,617,857	2,395,744	3,043,283	1,642,003	10,108,696
July	1,594,566	1,967,476	1,591,924	2,180,758	1,618,422	1,521,525	3,814,489	1,415,946
August	1,493,507	1,649,547	526,300	395,395	1,087,415	852,447	4,637,836	3,258,307
September	1,748,778	1,998,605	1,663,260	535,050	2,768,484	960,435	440,268	761,600
October	1,730,075	1,060,597	3,452,282	2,874,872	1,245,874	1,361,665	398,771	103,000
November	2,915,765	1,396,664	2,481,062	622,049	1,645,892	1,246,480	917,191	249,270
December	1,243,593	491,590	1,113,400	937,022	1,676,693	669,000	890,000	2,247,483
Totals	$30,295,838	$19,767,365	$20,550,239	$34,483,360	$31,910,214	$19,640,778	$17,955,714	$41,860,361

THE DOMINION BANK

ESTABLISHED 1871

HEAD OFFICE, TORONTO

Capital Paid Up - - - - -	$6,000,000
Reserve Fund and Undivided Profits, -	$7,500,000

Sir Edmund B. Osler
President

W. D. Matthews
Vice-President

C. A. Bogert
General Manager

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

HEAD OFFICE OF THE DOMINION BANK
Corner King and Yonge Streets, Toronto

SUMMARY OF CANADIAN BOND SALES in all Markets, 1905-1918

Bonds	Sold in United States	Sold in Canada	Sold in United States	Sold in Canada
	1917	1917	1918	1918
January	$	$	$	$
Government	1,000,000			2,630,000
Municipal	2,454,000	1,969,256	10,000	561,000
Railroad				
Corporation	2,250,000			
	5,704,000	1,969,256	10,000	3,191,000
February				
Government			200,000	3,800,000
Municipal	485,725	458,874	300,000	5,243,279
Railroad				
Corporation		75,000		1,600,000
	485,725	533,874	500,000	10,643,279
MARCH				
Government	25,000,000	125,000,000		2,250,000
Municipal	120,440	229,013		9,191,643
Railroad				
Corporation	1,200,000	150,000		200,000
	26,320,440	125,379,013		11,641,643
APRIL				
Government	1,500,000	500,000		
Municipal	1,563,200	1,182,974		3,968,995
Railroad				
Corporation	5,350,000			1,000,000
	8,413,200	1,682,974		4,968,995
MAY				
Government		8,000,000		4,400,000
Municipal		1,375,039		4,751,142
Railroad				
Corporation				125,000
		9,375,039		9,276,142
JUNE				
Government			300,000	2,025,000
Municipal	80,000	1,642,003		10,108,696
Railroad				
Corporation	1,225,000	625,000		300,000
	1,305,000	2,267,003	300,000	12,433,696

Bonds	Sold in United States	Sold in Canada	Sold in United States	Sold in Canada
	1917	1917	1918	1918
July	$	$	$	$
Government	100,000,000	500,000		1,000,000
Municipal	1,530,000	3,814,489		1,415,946
Railroad	2,700,000		5,000,000	
Corporation		125,000		
	104,230,000	4,439,489	5,000,000	2,415,946
August				
Government		1,500,000	100,000	1,900,000
Municipal		4,637,836		3,258,307
Railroad	10,000,000			
Corporation		100,000		
	10,000,000	6,237,836	100,000	5,158,307
September				
Government	500,000	1,800,000		
Municipal		440,268		761,600
Railroad				
Corporation				
	500,000	2,240,268		761,600
October				
Government				
Municipal		398,771	170,000	103,000
Railroad				
Corporation	2,500,000			
	2,500,000	398,771	170,000	103,000
November				
Government	10,000,000	390,000,000	25,000,000	664,016,000
Municipal		917,191		249,270
Railroad				
Corporation	750,000			
	10,750,000	390,917,191	25,000,000	664265,270
December				
Government				
Municipal		890,000	1,230,000	2,247,483
Railroad				
Corporation	4,500,000		1,000,000	340,000
	4,500,000	890,000	2,230,000	2,587,483

NOTE.—(1) The above summaries include the internal War Loans of March, 1917, November, 1917 and March, 1918. (2) No Canadian bonds were sold in the United Kingdom in 1917. In 1917, there was sold in that market, only one issue, £1,000,000 6% 3-year notes of the Grand Trunk Railway, and in 1918, a further Grand Trunk Issue of £3,000,000

Sold in	Government		Municipal		Railroad		Corporation		Totals	
	1917	1918	1917	1918	1917	1918	1917	1918	1917	1918
	$	$	$	$	$	$	$	$	$	$
Canada	527,300,000	682,021,000	17,955,714	41,860,361			1,075,000	3,565,000	546,330,714	727,446,361
United States	138,000,000	25,600,000	6,233,365	1,710,006	12,700,000	5,000,000	17,775,000	1,000,000	174,708,365	33,310,000
United Kingdom					5,000,000	14,600,000			5,000,000	14,600,000
	665,300,000	707,621,000	24,189,079	43,570,361	17,700,000	19,600,000	18,850,000	4,565,000	726,039,079	775,356,361

NOTE.—In addition to the above loans, advances for war purposes have been made to Canada by the Imperial Government, and Canada has established credits here for the British Government. These loans are not included in the above figures.

Year	Sold in Canada	Sold in United Kingdom	Sold in United States	Total	Year	Sold in Canada	Sold in United Kingdom	Sold in United States	Total
	$	$	$	$		$	$	$	$
1905	35,149,921	85,621,395	9,256,782	134,874,531	1912	37,735,182	204,236,394	30,966,406	272,937,982
1906	23,304,958	26,563,700	4,118,350	53,987,008	1913	45,603,753	277,470,780	50,720,762	373,795,295
1907	14,761,683	63,095,057	4,779,000	82,635,740	1914	32,999,860	185,990,659	53,944,548	272,935,067
1908	24,585,140	165,455,031	6,316,350	196,356,521	*1915	114,275,214	41,175,000	178,606,114	335,106,328
1909	60,433,964	194,356,788	10,367,500	265,158,252	*1916	102,938,778	5,000,000	206,943,764	**356,882,542
1910	39,296,462	188,070,128	3,634,000	231,000,590	1917	546,330,714	5,000,000	174,708,365	726,039,079
1911	44,989,878	204,269,143	17,553,967	266,812,988	1918	727,446,361	14,600,000	33,310,000	775,356,361

**Included in this sum are $8,000,000 of a total of $50,000,000 Canadian bonds repurchased in United Kingdom since the war commenced to the end of 1916. The inclusion of the $42,000,000 of unclassified repurchases brings the total of Canadian bond sales in 1916 to $356,000,000.

*In the above tables it has been estimated that of the first Canadian war loan of $100,000,000 in November, 1915, $25,000,000 was sold in the United States; second loan of $100,000,000 in September, 1916, $30,000,000 in the United States; third loan of $150,000,000 in March, 1917, $25,000,000 in the United States; fourth loan (allotted) of $400,000,000 in November, 1917, $10,000,000 in the United States, fifth loan $25,000,000 in the United States.

BANK OF HAMILTON

HEAD OFFICE : : HAMILTON

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

BOARD OF DIRECTORS

SIR JOHN HENDRIE, K.C.M.G., C.V.O., President CYRUS A. BIRGE, Vice-President.

C. C. DALTON ROBT. HOBSON W. E. PHIN

I. PITBLADO, K.C. J. TURNBULL W. A. WOOD

Record of Progress—Statement to the Dominion Government (condensed) on Oct. 31st.

ASSETS	*1917*	*1918*
Cash on hand and in banks, etc.	$18,578,424	$11,521,794
Call Loans	2,570,204	2,651,883
Government Bonds, Debentures and Investments	12,992,247	13,248,275
Loans to Municipalities	1,441,958	1,416,868
Other Loans and Discounts	30,099,163	42,046,173
Premises, Real Estate, Mortgages and other Assets	2,879,293	3,476,341
Liabilities of Customers under Letters of Credit, as per contra	33,613	192,902
	$68,594,902	$74,554,236

LIABILITIES	*1917*	*1918*
Circulation	$5,615,666	$5,288,261
Government Balances	316,806	4,702,263
Bank Balances	204,841	1,460,528
Deposits	55,914,419	56,333,240
Acceptances under Letters of Credit, as per contra	33,613	192,902
To the Shareholders:—		
Capital paid up	3,000,000	3,000,000
Reserve and Surplus Profits	3,509,557	3,577,042
	$68,594,902	$74,554,236

J. P. BELL, General Manager.

The Traders Trust Company

HEAD OFFICE - WINNIPEG

Authorized Capital - $500,000.00

Subscribed and Paid Up $131,000.00

J. B. NICHOLSON, President D. E. WILLIAMS, Vice-President

J. W. CAMPBELL, Secretary W. S. NEWTON, Treasurer

C. H. NEWTON, Director

Assignees, Executors, Administrators and Financial Agents

An Official Assignee for the Province of Manitoba

BANKERS: MERCHANTS BANK OF CANADA

Branch Office: BRANDON. F. W. WESTWOOD, Manager

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

BANK CLEARING HOUSE FIGURES BY PROVINCES

	1912	1913	1914	1915	1916	1917	1918
	$	$	$	$	$	$	$
Ontario	2,727,845,921	2,739,739,441	*2,536,795,848	2,411,073,625	§3,240,773,729	3,792,647,962	‡4,326,431,476
Quebec	3,004,228,218	3,044,773,604	2,797,227,774	2,786,449,334	†3,939,152,266	4,435,709,612	5,114,234,344
Manitoba	1,570,693,399	1,667,163,572	1,397,358,249	1,557,815,247	2,040,717,775	2,653,354,314	2,395,388,507
British Columbia	828,663,115	812,301,278	561,899,682	371,713,657	415,797,842	521,913,559	670,405,480
Alberta	529,705,867	**510,936,237	399,965,267	308,837,076	400,762,688	566,007,431	568,848,622
New Brunswick	88,969,218	82,447,747	78,259,921	77,058,264	90,946,795	102,948,814	117,133,609
Nova Scotia	100,467,672	105,347,630	100,280,103	104,414,590	125,997,881	151,812,753	215,259,297
Saskatchewan	305,308,002	312,429,645	215,941,751	188,526,217	255,347,092	340,238,760	368,631,391
TOTAL	9,155,881,412	9,275,139,154	8,087,728,595	7,805,888,010	10,509,496,068	12,564,633,205	13,776,332,726

**Medicine Hat started May, 1913. *Peterboro started June, 1914. †Sherbrooke started February, 1916. §Kitchener started April, 1916. ‡Windsor started April, 1918

BANK CLEARINGS BY CITIES—Month by Month.

CLEARING HOUSE	January 1918	February 1918	March 1918	April 1918	May 1918	June 1918
BRANDON	$2,675,515	$1,975,256	$2,471,144	$2,485,172	$2,179,844	$2,301,272
BRANTFORD	3,623,852	3,128,424	3,907,885	4,114,903	4,366,775	3,926,140
CALGARY	30,515,776	24,217,883	26,689,701	28,934,805	25,517,397	23,229,348
EDMONTON	15,235,467	11,547,831	13,091,114	15,273 898	14,035,462	12,861,483
FORT WILLIAM	3,429,562	2,390,604	2,553,839	2,568,288	2,880,028	2,831,317
HALIFAX	15,311,960	13,076,117	14,457,473	17,929,142	18,093,975	22,075,258
HAMILTON	21,228,508	17,107,522	19,799,662	23,077,288	22,474,328	21,039,766
KITCHENER	2,318,893	2,030,950	2,431,998	2,823,650	2,946,572	2,699,793
LETHBRIDGE	3,001,039	2,245,543	3,253,970	3,565,097	3,480,367	3,175,516
LONDON	10,506,756	7,477,674	9,179,200	11,000,219	10,828,125	10,619,542
MEDICINE HAT	2,155,540	1,974,715	1,927,294	2,297,465	1,878,426	1,818,721
MONTREAL	343,925,558	278,687,555	305,158,929	373,807,451	389,506,210	416,122,058
MOOSE JAW	5,182,860	4,252,310	4,711,094	5,639,870	5,577,273	5,323,485
NEW WESTMINSTER	1,704,615	1,461,481	1,576,375	1,797,769	1,989,714	1,792,360
OTTAWA	25,528,300	19,570,622	23,677,409	28,162,050	28,427,575	32,934,257
PETERBORO	3,106,791	2,296,246	2,715,629	3,193,265	3,190,908	2,613,977
PRINCE ALBERT	1,021,404	923,273	1,064,048	1,193,203	1,120,169	934,510
QUEBEC	16,732,685	15,593,652	15,929,450	19,554,533	19,883,493	18,254,437
REGINA	13,946,415	10,509,864	12,212,186	15,104,525	13,680,376	13,563,252
ST. JOHN	9,497,410	7,794,416	9,169,416	10,090,509	9,742,078	9,174,060
SASKATOON	7,302,289	5,707,743	6,660,566	7,561,296	7,358,180	7,118,569
SHERBROOKE	3,091,228	2,570,387	3,335,467	3,650,769	4,184,991	3,192,495
TORONTO	259,470,999	207,252,188	246,559,204	276,705,355	305,204,996	301,507,510
VANCOUVER	38,174,171	34,229,519	37,633,399	42,986,756	43,706,931	43,887,564
VICTORIA	7,518,345	6,718,129	7,267,730	8,856,111	8,793,527	7,980,292
WINNIPEG	176,539,246	154,002,262	182,505,002	210,246,242	181,967,144	163,766,675
WINDSOR	.....	.....	.....	2,500,178	5,791,876	4,897,284
TOTAL	$1,022,745,184	$838,742,166	$959,939,184	$1,125,119,809	$1,138,806,740	$1,139,640,941

CLEARING HOUSE	July 1918	August 1918	September 1918	October 1918	November 1918	December 1918
BRANDON	$2,533,900	$2,481,887	$2,309,380	$3,608,521	$4,164,450	$3,467,955
BRANTFORD	4,543,903	3,689,693	3,363,884	4,422,772	4,493,802	4,559,418
CALGARY	21,071,080	25,514,263	25,424,094	34,442,575	32,988,781	32,788,874
EDMONTON	13,296,640	13,823,350	13,498,110	16,072,904	15,616,487	17,172,178
FORT WILLIAM	3,047,417	2,921,695	2,764,434	4,448,167	4,417,172	4,060,821
HALIFAX	19,983,602	18,557,168	16,910,383	19,955,474	19,502,640	19,406,105
HAMILTON	22,728,727	22,315,718	21,188,578	24,815,744	23,610,688	22,689,947
KITCHENER	2,874,477	2,475,421	2,536,874	2,940,524	3,212,942	3,257,478
LETHBRIDGE	3,580,134	3,392,152	3,923,088	4,649,387	3,626,481	4,008,334
LONDON	11,428,365	9,445,412	9,986,936	11,340,870	12,549,078	12,596,173
MEDICINE HAT	1,600,705	1,818,529	1,744,211	2,570,795	2,096,620	2,204,992
MONTREAL	407,760,470	391,761,808	388,004,868	471,869,247	509,093,163	558,226,724
MOOSE JAW	5,579,821	5,571,946	5,750,429	9,863,566	10,748,115	10,224,794
NEW WESTMINSTER	1,878,845	2,308,282	2 183,178	2,389,778	2,220,483	2,262,279
OTTAWA	29,251,410	25,758,244	27,932,454	33,767,492	39,790,054	42,798,886
PETERBORO	3,254,572	2,769,225	2,700,443	3,940,898	3,905,613	3,887,054
PRINCE ALBERT	978,946	1,042,216	978,671	1,567,047	1,623,705	1,702,128
QUEBEC	22,262,473	20,389,523	18,589,274	21,696,564	24,099,732	24,918,408
REGINA	12,451,728	13,198,772	13,797,739	25,168,471	21,429,154	19,562,144
ST. JOHN	10,753,281	10,736,841	9,314,347	9,875,134	10,852,205	10,133,912
SASKATOON	6,757,427	6,810,967	6,587,699	10,419,751	9,596,446	9,550,949
SHERBROOKE	3,555,863	3,776,187	3,548,501	3,553,094	4,235,788	3,711,309
TORONTO	313,348,630	277,866,996	260,979,193	300,110,288	295,575,307	335,283,840
VANCOUVER	44,671,102	54,436,964	52,006,202	49,908,856	50,005,350	53,721,900
VICTORIA	9,494,234	9.180,059	8,714,852	8,878,471	8,420,643	9,649,214
WINNIPEG	130,207.873	136,336.736	133,585,533	285,906,330	309,539,522	298,131,646
WINDSOR	5,462,959	4,407.055	4,339,678	5,083,792	5,817,560	5,054,021
TOTAL	$1,114,358,584	$1,072,787,109	$1,042,663,033	$1.373,266,512	$1,433,231,981	$1,515,031,483

National Trust Company

Limited

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

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

President, SIR JOSEPH FLAVELLE, Bart.

Vice-Presidents, Z. A. LASH, K.C., E. R. WOOD, and W. E. RUNDLE

W. E. RUNDLE, General Manager

BOARD OF DIRECTORS:

Hon. Mr. Justice Britton
Chester D. Massey
Elias Rogers
Alexander Bruce, K.C.
H. C. Cox
H. H. Fudger
H. B. Walker
J. H. Plummer
Hon. Sir Edward Kemp, K.C.M.G.
Hon. F. H. Phippen, K.C.
Henry J. Fuller
F. W. Molson
T. B. Macaulay
W. M. Birks
E. M. Saunders
Sir John Aird
J. W. Woods
J. Harrington Walker
Thomas Findley

Head Office: 18-22 KING STREET EAST, TORONTO

Montreal **Winnipeg** **Edmonton** **Regina** **Saskatoon** **London, England**

The Standard Bank

OF CANADA

Established 1873

Capital Authorized - - -	$ 5,000,000.00
" Paid-up - - - - -	3,500,000.00
Reserve Fund and Undivided Profits	4,775,152.00
Total Assets - - - - - over	87,000,000.00

132 BRANCHES THROUGHOUT THE DOMINION

HEAD OFFICE

15 King Street West

TORONTO

C. H. EASSON, General Manager
J. S. LOUDON, Asst. Genl. Manager

Buy and Sell Foreign Exchange and Cable Transfers
Issue Commercial and Travellers' Credits and Cheques, negotiable in all countries.
Make Collections in all the Provinces, United States, Europe and the Orient at most favorable rates.
Assure prompt and efficient service.

Savings Bank Department at all Branches

Correspondence Invited

CANADIAN BANK CLEARINGS

The following table gives the yearly total clearings of each house since its commencement:—

(Note.—In practically all cases the first figure is for a broken period.)

City	1889	1890	1891	1892	1893	1894	1895	1896	1897	1898
	$	$	$	$	$	$	$	$	$	$
Brandon										
Brantford										
Calgary										
Edmonton										
Fort William										
Halifax	47,554,252	62,281,748	64,601,913	59,872,489	60,381,918	58,778,698	60,978,524	61,237,206	63,513,838	61,942,831
Hamilton			10,320,134	38,306,280	37,824,976	34,307,856	34,277,878	33,753,865	33,350,542	35,637,364
Kitchener										
Lethbridge										
London										
Medicine Hat										
Montreal	454,528,000	473,984,000	514,607,000	590,043,000	568,732,000	546,600,000	583,160,000	527,851,000	601,185,000	732,262,000
Moose Jaw										
New Westminster										
Ottawa										
Peterboro										
Prince Albert										
Quebec										
Regina										
St. John								20,284,420	30,109,575	30,349,265
Saskatoon										
Sherbrooke										
Toronto			145,897,939	326,564,323	309,278,689	279,270,739	308,636,044	342,031,851	371,456,867	437,661,654
Vancouver										8,414,923
Victoria										5,931,409
Windsor										
Winnipeg						50,602,648	55,873,630	64,146,438	84,435,832	90,724,325
	$502,082,252	$536,265,748	735,426,986	1,014,786,092	976,217,583	969,559,941	1,042,926,076	1,049,304,780	1,184,051,654	1,402,923,771

City	1899	1900	1901	1902	1903	1904	1905	1906	1907	1908
	$	$	$	$	$	$	$	$	$	$
Brandon										
Brantford										
Calgary								41,771,924	69,745,006	64,815,227
Edmonton								20,083,179	45,916,792	38,496,509
Fort William										
Halifax	76,600,705	77,594,871	87,161,888	88,532,308	93,349,633	90,115,784	89,251,562	92,468,040	93,587,138	90,232,247
Hamilton	40,298,084	40,262,588	42,554,583	45,965,217	53,419,704	59,003,094	68,385,601	78,480,620	88,163,279	72,333,062
Kitchener										
Lethbridge										
London				23,097,509	42,848,581	45,552,240	50,429,505	58,063,826	65,770,473	56,875,041
Medicine Hat										
Montreal	794,029,000	730,933,000	889,479,000	1,098,970,000	1,113,978,000	1,065,067,000	1,324,313,000	1,533,597,000	1,555,729,000	1,467,316,000
Moose Jaw										
New Westminster										
Ottawa			29,200,088	96,445,291	106,083,750	106,637,587	120,891,877	135,866,735	156,487,801	154,367,756
Peterboro										
Prince Albert										
Quebec			48,177,614	73,881,253	80,794,414	77,649,688	86,734,553	92,934,213	107,460,897	111,812,551
Regina										
St. John	32,922,509	36,001,574	40,072,689	41,702,253	48,950,500	50,756,315	52,836,333	60,601,241	66,150,414	66,435,636
Saskatoon										
Sherbrooke										
Toronto	504,872,846	513,696,401	625,271,306	809,078,559	808,748,260	842,097,066	1,047,490,701	1,219,125,359	1,228,905,517	1,166,902,436
Vancouver	37,802,218	46,644,098	47,006,211	54,467,549	66,215,765	74,029,902	88,460,391	132,606,358	191,734,480	183,083,446
Victoria	33,199,807	32,779,919	30,801,369	28,580,751	30,818,426	33,070,009	36,890,464	45,615,615	55,330,588	55,356,013
Windsor										
Winnipeg	107,786,814	106,956,792	144,199,483	188,370,003	246,108,006	294,601,437	369,868,179	504,585,914	599,667,576	614,111,801
	1,621,511,983	1,584,869,243	1,983,924,231	2,549,090,693	2,691,315,039	2,738,580,112	3,335,552,166	4,015,800,024	4,324,648,961	4,142,137,725

City	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918
	$	$	$	$	$	$	$	$	$	$
Brandon		21,278,869	29,430,274	32,875,875	32,186,498	26,397,443	27,132,123	28,922,518	30,429,612	32,654,266
Brantford			27,206,985	30,749,317	32,697,443	28,669,309	26,640,280	34,243,297	42 189,449	48,141,451
Calgary	99,453,662	150,677,031	218,681,921	275,492,303	247,882,928	201,669,873	169,758,599	233,097,671	348,663,426	331,334,577
Edmonton	51,561,012	71,635,122	121,438,391	220,727,617	213,053,218	157,308,683	105,834,955	114,345,964	142,606,772	171,524,924
Fort William			7,865,923	40,503,087	49,265,358	39,110,558	24,674,847	27,472,160	34,224,050	38,313,344
Halifax	95,278,468	95,855,310	87,994,038	100,467,672	105,347,630	100,280,103	104,414,590	125,997,881	151,812,753	215,259,297
Hamilton	84,803,936	101,226,496	125,250,982	167,712,729	178,107,853	148,934,586	151,420,271	200,811,087	244,401,339	262,076,476
Kitchener								20,201,665	30,268,621	32,549,572
Lethbridge		9,378,091	28,818,693	33,485,947	28,893,876	21,217,849	19,740,328	31,648,551	45,021,074	41,901,108
London	62,093,337	67,154,297	71,554,221	84,526,961	90,720,202	86,024,236	89,774,787	100,090,560	112,664,207	126,958,350
Medicine Hat					21 106,215	19,768,862	13,503,194	21,670,502	29,716,159	24,088,013
Montreal	1,866,649,000	2,088,558,000	2,368,491,239	2,845,468,033	2,879,118,859	2,631 354,533	2,628,123,428	3,722,609,663	4,188,255,210	4,833,924,041
Moose Jaw			39.872,743	65,136,326	61,370,943	45 846,371	42,634,319	52,971,442	64,896,741	78,425,563
New Westminster					28,424,494	19,284,692	13,460,082	13,878,003	17,480,445	23,565,159
Ottawa	173,181,973	193,714,888	213,952,292	244,123,451	207,667,008	209,662,599	211,636,519	261,049,599	291,197,713	357,598,753
Peterboro						11,338,896	20,970,664	26,675,636	32,917,018	37,574,621
Prince Albert				8,545,562	22,936,528	12,574 904	8,622,444	9,709 906	11,811,256	14,149,320
Quebec	118,803,773	123,710,055	133 319,176	158,760,185	165,654,745	165,873,241	158,325,906	192,163 703	213,504,960	237,904,224
Regina	14,153,244	50,739 159	73,032,088	115,727,647	132,087,457	98,205,535	87,122,611	124,349,591	169,800,113	184,624,626
St. John	72,404,500	77,843,546	77,328,182	88,969,218	82,447,747	78,259,921	77,058,264	90,946,795	102,948,814	117,133,609
Saskatoon		9,004,823	63,557,142	115,898,467	96,034,717	59,314,941	50,146,843	68,316,153	93,730,650	91,431,882
Sherbrooke								24,378,900	33,949,442	42,406,079
Toronto	1,437,700,477	1,593,954,254	1,852,397,605	2,160,230,376	2,181,281,577	2,013,055,664	1,885,956,257	2,570,229,725	3,004,785,565	3,379,864,506
Vancouver	287,528,944	444,988,818	543,484,354	645,118,877	606,899,710	420,951,718	281,575,949	321,588,718	419,610,898	545,368,714
Victoria	70,695,882	101,567,074	134,929,816	183,544,238	176,977,074	121,663,272	76,677,626	80,331,121	84,822,216	101,471,607
Windsor										43,354,403
Winnipeg	770,649,322	953,415,182	1,172 762,142	1,537,817,524	1,634,977,074	1,370,960 806	1,530,683,124	2,011,795,257	2,622,924,702	2,362,734,211
	5,204,957,530	6,154,701,015	7,391,368,207	9,155,881,412	9,275,139,154	8,087,728,595	7,805,888,010	10,509,496,068	12,564,633,205	13,776,332,726

The Toronto General Trusts Corporation

Capital and Reserve, $3,500,000.00 Assets, $83,286,782.69

For thirty-seven years this Corporation has had the confidence of the public. The extent of this confidence is shown by the assets under administration. In its function as a Corporate Executor, this organization is qualified to give most satisfactory service in the Administration of Estates.

Executors, Trustees, Administrators, Assignees, Guardians, Financial Agents, etc.

BOARD OF DIRECTORS

Hon. W. C. Edwards
A. C. Hardy
John Hoskin, K.C., LL.D., D.C.L.
Lieut.-Col. R. W. Leonard
Thomas Long
Lieut.-Col. J. F. Michie
W. D. Matthews
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CANADA'S YEARLY FIRE LOSS

Fire Waste is Increasing Rapidly—Total For 1918 Exceeds That of 1917 by Over $10,000,000

According to the record of *The Monetary Times*, the fire losses in Canada during 1918, amounted to $31,815,844, as compared with $20,086,085 in 1917.

The following are comparisons of other features of the fire waste:—

	1915.	1916.	1917.	1918.
Average monthly loss	$1,139,210	$1,707,292	$1,673,840	$2,651,320
Loss per capita.	$1.78	$2.56	$2.60	$4.11
Fires with damage of $10,000 or over	237	216	238	256

The Monetary Times' record of the past four years, shows the following monthly losses:—

Month.	1915.	1916.	1917.	1918.
January	$ 1,249,886	$ 1,649,217	$ 1,918,660	$ 2,688,556
February	1,019,556	3,275,600	2,009,953	2,243,762
March	1,632,696	1,406,501	2,050,650	1,682,286
April	1,463,747	1,460,437	1,317,714	3,240,187
May	881,855	1,850,205	1,163,110	3,570,014
June	1,157,156	494,557	1,184,627	3,080,982
July	773,269	3,039,634	1,101,734	3,369,684
August	403,693	1,057,109	1,230,183	3,110,445
September	1,116,109	981,703	1,301,700	917,286
October	1,290,325	1,077,815	704,605	5,119,145
November	1,087,980	923,235	959,049	1,059,580
December	1,595,255	3,271,496	5,144,100	1,733,917
Totals	$13,671,527	$20,487,509	$20,086,085	$31,815,844

The following table gives a list of fires of $10,000 and over, month by month, compared with five previous years:—

Month.	1913.	1914.	1915.	1916.	1917.	1918.
January	22	41	35	28	28	43
February	26	45	25	30	31	21
March	19	28	24	30	26	16
April	23	31	22	13	13	24
May	35	29	23	23	11	27
June	39	23	18	9	17	19
July	40	29	11	13	16	24
August	45	16	10	14	14	23
September	33	13	20	12	10	14
October	27	18	17	14	15	12
November	28	11	13	14	26	14
December	21	18	19	18	31	19
Totals	358	302	237	218	238	256

The following table, compiled by *The Monetary Times*, shows deaths caused by fire during the past eight years:—

Month.	1911.	1912.	1913.	1914.	1915.	1916.	1917.	1918.
January	27	27	14	26	3	10	21	28
February	12	11	21	18	11	23	19	87
March	18	24	22	27	23	23	20	34
April	20	15	11	22	14	6	15	7
May	28	18	33	8	5	14	12	10
June	13	6	18	12	2	6	9	9
July	110	9	9	8	13	268	19	6
August	22	16	29	3	14	30	12	7
September	13	6	27	9	27	6	21	13
October	17	21	15	9	7	39	23	11
November	20	22	24	14	12	12	21	3
December	17	28	13	19	11	94	15	26
Totals	317	203	236	175	142	531	207	241

The losses for 1918 exceed those for 1917 by over $10,000,000. There were also more large fires in 1918 than in the previous year, and there were more deaths caused by fire in 1918 than in 1917.

The largest monthly loss in 1918 was in October. This was due to the explosion at the Imperial Munitions Board plant at Trenton, Ont., which caused a loss of about $3,000,000.

Regina city bought in property at its annual tax sale, against which there were arrears of taxes, penalties and interest to the amount of $57,000. The total number of lots offered were 764. Tax sale certificates for these properties were at once put on sale in the treasurer's office, and during the first day upwards of $5,000 was realized.

BUILDING PERMITS

The following table gives the value of building permits in some of Canada's leading cities for 1918, compared with 1917 figures:—

Town or city.	1917.	1918.
Edmonton	$ 309,800	$ 356,960
Hamilton	2,733,865	2,472,254
Kingston	150,705	318,943
London	837,890	837,890
Montreal	4,387,638	4,882,873
New Westminster	81,515	108,300
Ottawa	1,041,017	2,635,612
Prince Rupert	99,000	106,301
Quebec	2,459,386	904,375
Regina	416,460	1,006,000
St. John	531,250	351,323
Three Rivers	422,950	638,975
Toronto	7,163,556	8,535,331
Vancouver	768,255	1,440,384
Victoria	147,875	289,760
Westmount	155,890	275,261
Winnipeg	2,507,300	2,050,650
Woodstock	91,730	125,360
Yorkton	63,445	25,150
Totals	$24,369,527	$27,361,702

MUNICIPAL BOND SALES IN 1918

Large Sales in Canada But Very Few in United States—Victory Loan Absorbed Market of Last Six Months

Probably the most notable feature of the municipal bond market in 1918 was the large volume of Canadian bonds absorbed in Canada in spite of the Victory Loan campaign. The total sales of Canadian municipals in Canada was over 40,000,000, the previous high record being $34,483,360 in 1914. The sales in the United States were comparatively small, being less than $2,000,000. These figures are calculated from the original placing of the issues and the subsequent transference of small blocks of bonds to the United States might raise the figure considerably.

A great deal of municipal financing had been delayed through the period of the 1917 Victory Loan. This accounts for the activity in the municipal market during the first six months of 1918. It was also well known that a second Victory loan would be issued towards the end of the year, and this hastened any financing which would be required until 1919.

The following are the principal municipal issues made during the year:—

Municipality.	%	Years.	
February:			
Greater Winnipeg Water District.	5	5	$2,000,000
London, Ont.	6	5 & 10	1,346,000
Outremont, Que.	6	5	1,500,000
March:			
Greater Winnipeg Water District.	5	5	1,000,000
Three Rivers, Que.	6	5	1,000,000
Montreal, Que.	6	5	6,900,000
April:			
Victoria, B.C.	6	10	1,000,000
Montreal Catholic Schools	6	5	1,650,000
Montreal Catholic Schools	6	5	850,000
May:			
Quebec, Que.	6	5	470,000
Toronto, Ont.	5½	20	736,000
Toronto, Ont.	5	30	835,000
June:			
Calgary, Alta.	7	10	2,600,000
Greater Winnipeg Water District.	6	5	1,000,000
Montreal, Que.	6	5	6,100,000
July:			
Montreal Protestant Schools	6	5	900,000
August:			
Montreal, Que.	6	5	2,300,000
Greater Winnipeg Water District.	5	10	390,900
Greater Winnipeg Water District.	6	5	609,100
September:			
Montreal, Que.	6	5	1,000,000
December:			
Toronto Harbor Commission	4½	35	1,000,000
Greater Winnipeg Water District.	6	5	1,000,000
			$36,187,000

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CANADIAN BANK AMALGAMATIONS TO DATE

COMPILED BY "THE MONETARY TIMES"

Name of Purchasing Bank	Name of Bank Absorbed Date of Absorption	Details of Terms of Amalgamation or Purchase	Price of Stock of two Banks concerned at time of Absorption.
ank of Montreal.....	Exchange Bank of Yarmouth, N.S May 15th, 1903	The assets of the Exchange Bank of Yarmouth were purchased by the Bank of Montreal, who assumed all liabilities of the former; the shareholders netted about $82.00 per share, par value $70.00.	Bank of Montreal, 257 Exchange Bank of Yarmouth, not obtainable.
	People's Bank of Halifax, N.S.... May 9th, 1905	The Bank of Montreal issued $400,000.00 new stock at 253 in exchange for People's Bank of Halifax stock at 115.	Bank of Montreal, 260 People's Bank of Halifax, not obtainable.
	Ontario Bank..... October 13th, 1906	Bank of Montreal took over the assets of the Ontario Bank and assumed its liabilities, and agreed to liquidate its affairs with open doors.	Bank of Montreal, 260 Ontario Bank, last quoted, in June, 1906, 137.75
	People's Bank of New Brunswick. April 30th, 1907	The assets of the People's Bank of New Brunswick were purchased by the Bank of Montreal, who assumed all liabilities of the former on a basis of 230 for People's stock and 258 for Bank of Montreal stock.	Bank of Montreal, 248.50 People's Bank of New Brunswick, not obtainable.
	Bank of British North America...	Shareholders of Bank of British North America to receive in exchange for each share, £75 in cash, or they might receive one share of Bank of Montreal stock for every two shares they held.	Bank of Montreal, 210 Bank of British North America, £60 (£50 shares)
*Bank of Nova Scotia..	Union Bank of Prince Edward Is.. October 1st, 1883	The Bank of Nova Scotia issued $114,300.00 stock to shareholders of Union Bank of Prince Edward Island, representing $162,222.22, the surplus of the Union Bank of Prince Edward Island assets and earning power over liabilities.	No record
	Bank of New Brunswick ..... February 16th, 1913	The Bank of Nova Scotia issued 10,000 shares stock and paid $100,000.00 cash to shareholders of Bank of New Brunswick, being one share of Bank of Nova Scotia Stock and $10.00 cash for each share of Bank of New Brunswick.	Bank of Nova Scotia, February, 1913, high 265¾, low 260 Bank of New Brunswick, no record—last 260¾, April, 1912
	Metropolitan Bank ..... November 16th, 1914	The Bank of Nova Scotia issued 5,000 shares stock and paid $1,000,000.00 cash to shareholders of The Metropolitan Bank, being one share Bank of Nova Scotia stock and $200.00 cash for each two shares of The Metropolitan Bank.	Bank of Nova Scotia, 261 Metropolitan Bank, last quotation March, 1914, high 211, low 206
†Merchants Bk. of Canada	Commercial Bank of Canada. . . June 1st, 1868	One share of Merchants for one share of Merchants Bank of Canada, and one share of the Merchants Bank of Canada for three shares of the Commercial Bank of Canada.	———
Union Bank of Canada...	United Empire Bank of Canada... April 1st, 1911	The shareholders of the United Empire Bank of Canada received in exchange for their holdings an equal amount of stock in the Union Bank of Canada.	Union Bank, high 150½ low 150.
Canadian Bank of Commerce.....	Gore Bank..... ..... May 19th, 1870	$445,104.00 stock.....	Gore, 60—61 Commerce, 108—109
	Bank of British Columbia ..... January 2nd, 1901	$2,000,000.00 stock and $312,000.00 cash.....	Bank of British Columbia, no quotation Commerce, 147—149
	Halifax Banking Company..... May 30th, 1903	$700,000.00 stock and $6,000.00 cash.....	Halifax Banking Co., no quotation Commerce, 164—166
	Merchants Bk. of Prince Edward Is. June 1st, 1906	Purchased for cash.....	Merchants Bank of P.E.I., unlisted stock Commerce, 175
	Eastern Townships Bank..... March 1st, 1912	$3.000,000.00 stock.....	Eastern Townships Bank, 175 Commerce, 215
Royal Bank of Canada..	‡Union Bank of Halifax..... November 1st, 1910	For every five (5) shares, par value $50.00, of Union Bank stock, shareholders of Union Bank received two (2) shares, par value $100.00, of Royal Bank of Canada stock	Royal Bank of Canada, 242—245 Union Bank of Halifax, 195
	Traders Bank of Canada..... September 1st, 1912	For every four (4) shares of Traders Bank stock, shareholders of the Traders Bank received three (3) shares of Royal Bank of Canada stock.	Royal Bank of Canada, 228 Traders Bk., 166¾—168
	Quebec Bank ..... January 2nd, 1917	For every three (3) shares of Quebec Bank stock, shareholders of the Quebec Bank receive one (1) share of Royal Bank, plus $75 in cash.	Royal Bank, 211—213 (Nov. 30th) Quebec Bank, 103—106 (Dec. 30th)
	Northern Crown..... March, 1918	Northern Crown stock purchased at $200 per share, being paid partly in Royal Bank stock and partly cash.	Royal Bk. of Canada 208 Northern Crown, 87

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CANADIAN BANK AMALGAMATIONS TO DATE.—*Continued*

Name of Purchasing Bank	Name of Bank Absorbed Date of Absorption	Details of Terms of Amalgamation or Purchase	Price of Stock of two Banks concerned at time of Absorption.
Standard Bk. of Canada.	Western Bank of Canada..... February 13th, 1909	Stockholders of the Western Bank were paid in cash, $160 per share.	Standard Bank, 238—228¾ Western Bk., not listed
Imperial Bk. of Canada..	Niagara Dis. Bank, St. Catharines June 21st, 1875		
Home Bank of Canada..	La Banque Internationale du Can. April 15th, 1913	6,000 fully paid up shares of Home Bank of Canada for net assets of La Banque Internationale du Canada.	Neither stock listed
Northern Crown Bank..	The Northern and Crown Banks of Canada amalgamated under the name of "The Northern Crown Bank"..... July 2nd, 1908	Share for share allotted.	No quotations available

* In addition to those shown in this table, the Bank of New Brunswick, which was amalgamated with the Bank of Nova Scotia on February 16th, 1913, had in 1901 taken over the Summerside Bank. † The Merchants Bank opened for business on May 9th, 1864. In February, 1868, the name was changed to the Merchants Bank of Canada, and a proposition was made to the Commercial Bank of Canada. On May 22nd, 1868, authority was received from the Government, and the amalgamation took place June 1st, 1868. ‡ The Union Bank of Halifax absorbed the Commercial Bank of Windsor in 1902.

POSTDATED CHEQUES

Held to be Legal Payment in Full and Debtor Cannot be Garnisheed Thereafter

The case of American Agricultural Chemical Company vs. Schringer, recently decided by the Maryland Court of Appeal, raised an interesting legal point in connection with postdated cheques. In this case it appears that one, S. S. Tracey, was entitled to a certain proportion of the estate of Samuel M. Tracey, a relative, and on the 21st day of January, the administrator of the estate of Samuel M. Tracey, deceased, gave S. S. Tracey a cheque dated January 21st, upon the Fidelty Trust Company, of Baltimore, Maryland, for about $1,200 on account of the amount due Tracey from the estate.

The Chemical Company then took steps to garnishee the amount due to S. S. Tracey from the estate, and on January 20th, but after the cheque had been given, the garnishee order was served upon the administrator. The question for the decision of the Court then was whether the administrator, after giving a postdated cheque to S. S. Tracey, could be garnisheed for the amount due to Tracey from the estate where the garnishee order was served on the administrator before the cheque, by its terms, could be presented for payment.

The decision of the Court was that, under the above circumstances, the cheque, even although postdated, was a payment to Tracey, and that the garnishee order was of no effect.

"The fact that the cheque was postdated does not, we think, affect the question in this case," said the Court. "A postdated cheque is a perfectly legal and proper incident, and, like any other cheque is payable immediately upon the day of its date. It is simply and unquestionably payable on demand, so soon as the day of its date is reached. In this case it was given to Tracey, payable on a future day, and was received by him in full payment of his share of the estate, and, unless dishonored, was an extinguishment of the debt. It was not dishonored, and, consequently, the garnishee order is of no effect."

HEAVY DEMAND FOR GERMAN CURRENCY

Addressing the Central Board of the Imperial Bank of Germany on December 1st, Rudolf Havenstein, president of the bank, urgently admonished the people not to hoard cash. He said that between October 1 and November 23 there had been withdrawn from the bank 3,683,000,000 marks, as against 397,000,000 marks in 1917, and this after 4,000,000,000 marks had already been drawn out in the third quarter of 1918. Moreover, President Havenstein declared, more than another 1,000,000,000 marks of new currency had been circulated in the same period by means of coupons and the notes of private banks and communes, making the total emergency money 5,000,000,000 marks between the above dates.

CHEQUE PAYMENT BY BANK

In a case which has just been decided in a Canadian Court it was held that where a depositor had both a current and savings account, the bank was justified in paying a cheque, drawn on the current account with funds from the savings account, when funds in the former were not sufficient to meet the payment. In delivering the judgment Mr. Justice Greenshields explained:—

"On June 23, 1917, a cheque was presented to the bank, signed by plaintiff, and contained no mention of any account or any indication or instructions whatever, but was a general order by plaintiff on the bank to pay to one, Sam Essen, or bearer, $200. The bank at that time was debtor to plaintiff in a sum exceeding $200. As a matter of bookkeeping, there was not to the credit of what plaintiff calls 'current account' $200. There was insufficient funds to the credit of that account in the bank to pay the cheque. But there was a sufficient sum to the credit of the savings' account. The bank paid the cheque, and as a matter of bookkeeping charged the same against the account to which there was a sufficient credit. The plaintiff got the full benefit of the $200 paid by the bank.

"Plaintiff says this proceeding was altogether illegal and wrong, and seeks a condemnation against the bank for the amount. She succeeded under a judgment of the Superior Court having but one considerant, namely:—

" 'Considering the defendant has failed to prove the material allegations of its plea, and that the plaintiff has made good her demand by proceedings and proof of record.'

"It is difficult," Judge Greenshields added, "to criticize the judgment in that form; but if it means that the bank illegally dealt with the plaintiff's accounts, it is certainly open to severe criticism. If the bank had charged the $200 against the current account, then the current account would be overdrawn, and the savings account would be reduced by exactly the amount of that overdraft.

"The relationship between plaintiff and the bank as debtor and creditor is precisely the same whether as a matter of bookkeeping, the cheque was charged to one account or another. Incidentally plaintiff says that her husband recognized that the cheque was a forgery. She has not proved this, and I am satisfied that the allegation of forgery is nothing more or less than a barefaced attempt to bolster up an absolutely unfounded claim against the bank. I should reverse the judgment and dismiss the plaintiff's action with costs."

At the sitting of the Chamber of Deputies on December 3rd, M. Klotz, minister of finance, announced the result of the last Liberation Loan, the details of which, he said, have not yet been fully completed. Up to that time, the minister asserted, the combination showed subscriptions amounting to 27,750,000,000 francs normal capital or actually 19,750,000,000 francs, of which the Bank of France had contributed 12,000,000,000 francs.

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THE MERCHANTS BANK OF CANADA

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Paid-up Capital . . . . $7,000,000 — **Total Deposits,** Oct., 1918 **$132,000,000**
Reserve Funds . . . . 7,437,973 — **Total Assets,** Oct., 1918 **165,000,000**

President: Sir H. MONTAGU ALLAN, C.V.O.
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NET PROFITS AND DIVIDENDS OF CANADA'S BANKS

BANK	1908 Net Profits	Dividend	1909 Net Profits	Dividend	1910 Net Profits	Dividend	1911 Net Profits	Dividend	1912 Net Profits	Dividend
	$	%	$	%	$	%	$	%	$	%
(1)Bank of Montreal	1,957,659	10	1,826,167	10	1,797,993	10	2,276,519	10	2,518,409	10+2
§Quebec Bank	281,057	7	252,771	7	278,926	7	276,392	7	294,804	7
Bank of Nova Scotia	559,577	12	604,123	12	662,302	12	815,519	13&14	970,544	14
(2)Bank of British North America	417,669	7	494,705	7	554,942	7	632,117	8	678,506	8
Bank of Toronto	582,156	10	579,471	10	589,656	10	677,964	11	835,787	11+1
The Molsons Bank	612,646	10	493,479	10	602,694	10	712,539	11	684,779	11
La Banque Nationale	279,121	7	266,661	7	257,917	7	262,513	7	293,564	7
3)Merchants Bank of Canada	738,597	8	831,159	8	1,037,140	8 & 9	1,179,581	9 & 10	1,338,844	10
Banque Provinciale du Canada	121,599	5	124,143	5	149,062	5	184,398	5	185,165	6
(4)Union Bank of Canada	401,013	7	407,541	7	451,620	7	662,437	8	706,832	8
Canadian Bank of Commerce	1,627,333	8	1,510,696	8	1,838,065	9	2,305,409	10	2,811,806	10+1
(5)Royal Bank of Canada	746,775	10	838,306	10	951,336	11&12	1,152,249	12	1,527,324	12
(6)Dominion Bank	641,318	12	620,927	12	659,300	12	704,045	12	901,529	12+2
(7)Bank of Hamilton	360,308	10	382,332	10	422,090	10	443,506	11	495,860	11
(8)Standard Bank of Canada	283,065	12	342,258	12	373,208	12	381,601	13	462,079	13
(9)Banque d'Hochelaga	381,387	8	360,821	8	417,697	8	415,000	9	481,616	9
(10)Bank of Ottawa	429,879	10	421,065	10	532,353	10½	595,228	11	640,220	11¾
(11)Imperial Bank of Canada	721,175	11	743,524	11	702,508	11	841,692	11&12	1,004,340	12
(12)Home Bank of Canada	95,411	6	83,957	6	95,832	6	121,941	6	140,030	6 & 7
(13)Northern Crown Bank	130,324	5	193,464	5	258,144	5	285,694	5 & 6	291,094	6
(14)Sterling Bank	64,146	5	92,832	5	96,825	5	107,876	5	113,400	6
(15)Weyburn Security Bank	.....	.....	.....	.....	.....	.....	26,682	2½	63,135	5

BANK	1913 Net Profits	Dividend	1914 Net Profits	Dividend	1915 Net Profits	Dividend	1916 Net Profits	Dividend	1917 Net Profits	Dividend
	$	%	$	%	$	%	$	%	$	%
(1)Bank of Montreal	2,648,403	10+2	2,496,452	10+2	2,108,631	10+2	2,200,471	10+2	2,477,969	10+2
§Quebec Bank	309,228	7	296,659	7	233,420	7	.....	....	.....	.....
Bank of Nova Scotia	1,210,774	14	1,196,117	14	1,220,057	14	1,252,038	14	1,295,315	14
(2)Bank of British North America	689,745	8	536,577	8	328,595	7	546,346	7	**668,003	8
Bank of Toronto	* 1,050,693	11+1	829,538	11+1	663,074	11	730,954	11	802,920	11
The Molsons Bank	694,356	11	608,196	11	556,193	11	582,356	11	615,514	11
La Banque Nationale	302,304	8	319,903	8	333,207	8	417,662	8	435,283	9
(3)Merchants Bank of Canada	(A) 533,653	10	1,218,694	10	995,431	10	950,713	10	1,236,680	10
Banque Provinciale du Canada	195,126	6	194,214	7	196,355	7	203,983	7	207,483	7
(4)Union Bank of Canada	750,095	8	712,440	8+1	659,688	8+1	651,183	8+1	763,463	8+1
Canadian Bank of Commerce	2,992,951	10+2	2,668,233	10+2	2,352,035	10+2	2,439,415	10+2	2,637,555	10+2
(5)Royal Bank of Canada	2,142,100	12	1,886,142	12	1,905,576	12	2,111,307	12	2,327,979	12
(6)Dominion Bank	950,402	12+2	925,364	12+2	805,123	12	893,502	12	1,005,062	12
(7)Bank of Hamilton	498,273	12	485,265	12	424,274	12	442,525	12	598,522	12
(8)Standard Bank of Canada	555,095	13	621,463	13	563,401	13	580,230	13	649,546	13
(9)Banque d'Hochelaga	534,700	9	566,614	9	530,237	9	546,011	9	565,433	9
(10)Bank of Ottawa	706,740	12	620,691	12	531,268	12	591,205	12	616,238	12
(11)Imperial Bank of Canada	1,125,971	12	1,236,984	12	1,031,359	12	1,003,960	12	1,185,066	12
(12)Home Bank of Canada	167,125	7	163,929	7	133,406	5	217,059	5	228,963	5
(13)Northern Crown Bank	281,167	6	201,289	6	100,789	Nil	128,761	5	†208,608	5
(14)Sterling Bank	114,200	6	115,111	6	145,290	6	161,270	6	186,120	6
(15)Weyburn Security Bank	54,917	5	48,354	5	53,844	‡10	82,149	5	74,274	5

(1) Prior to 1904 the Bank of Montreal's year ended in April. The profits during 1911 include $708,800 expended in premises and those of 1912, $511,000; in previous years these expenditures were deducted. 2% bonus since June, 1912.

(2) Figures for 1912 are from Jan. 1st to Nov. 30th inclusive.

(3) Profits for 1908 are for year ending Nov. 30th; previous years ended May 31st. 1913 figures are for 5 months ending 30th April. 1915 figures are for year April, 1915. Net profits for year ending April, 1916, $970,713. Dividend, 10%.

(4) 1907 figures are for 18 months from June 15th, 1906 to Nov 30th, 1907.

(5) 1912 figures are for 11 months; financial year changed.

(6) 1903 figures for 8 months ending Dec. 31st.

(7) The 1917 figures are for the 15 months ended 28th February, 1918.

(8) 1908 figures are for 9 months only; date of financial year changed.

(9) 1905 figures for 18 months; 1907 figures include $175,000 premium on new stock.

(10) The financial year of the Bank of Ottawa ends on Nov. 30th.

(11) 1906 figures for 11 months ending 30th April, 1906. All other figures for year ending 30th April.

(12) Began business under name of Home Bank of Canada in 1906 and held first annual meeting in June of that year.

(13) 1912, profits are for 11 months.

(14) Sterling Bank has only been doing business since 1906.

(15) Weyburn Security Bank commenced business only in 1911.

‡ 5% cash dividend and 5% stock dividend.

* Including $200,000 debts recovered.

§ The Quebec Bank was purchased by the Royal Bank of Canada on Dec. 31st, 1916, and did not issue a statement showing the result of its business for that year. Dividends amounting to $191,450, being at the rate of 7% per annum, were paid during the year.

(A) Result of business for 5 months only.

** Absorbed by the Bank of Montreal, March, 1918.

† Purchased by the Royal Bank, June 30th, 1918, who paid 10,883 fully paid shares of the capital stock of the Royal Bank, and $576,970 in cash.

MAY GET LETTERS PATENT FOR HOMESTEAD

It has been decided to allow American subjects, who are holders of homestead entries, to obtain letters patent for suuh homesteads, even if they have not become naturalized, so long as they can show themselves to be qualified for naturalization. Those who have at any time been citizens of an enemy country are excluded from this permission. This action became necessary because United States citizens were forbidden during the continuance of the war to renounce citizenship or become citizens of any other country during the war. Therefore, the secretary of state for Canada decided to refuse naturalization certificates to Americans until after the war. Many American citizens have, however, made entries for homesteads, and a number are now entitled to letters patent upon becoming naturalized, and others will be soon. It will be necessary for one who is granted a patent now to make evident that he intends to become a Canadian citizen as soon as it is possible for him to do so under the laws of Canada.

WHEAT PROVINCE EXPORTS WOOL

The farmers of the province of Saskatchewan this year shipped more than 400,000 pounds of wool through the department of agriculture. An advance was paid at the rate of 45 cents per pound, or a total of $18,000, and the difference between the advance and market prices, minus marketing costs, will be distributed to the farmers as returned by the Association. Final returns are expected to be made to farmers within the next two or three weeks.

Approximately 700,000 pounds of wool was clipped from sheep in the province this year, the remainder having been graded and consigned to market by wool growers' associations.—Western Canada Week by Week.

Manual of Canadian Banking

By H. M. P. ECKARDT

This Book is listed by the Canadian Bankers' Association as a recognized text book on banking practice. Chapters on Organization of a New Bank; Selection of the Junior; The Junior's Post; The Cash Book; The Discounts; Teller and Customer; The Bank's Business in Exchange; Receiving and Paying; The Accountant; The Statements; Manager of the Branch; Financing the Crops and the Mines; Relations with other Banks and with Head Office; Inspection of the Branch; Head Office; The General Manager's Department; The Board; Liquidation of Failed Banks.

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SUBSCRIBED CAPITAL	1,171,700
PAID UP CAPITAL AND RESERVE	1,100,000
TOTAL ASSETS over	7,000,000

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THE CANADIAN BANK CLEARING HOUSE

Organization and Work in Canada—Value of Clearing Statistics as Business Indices

BY A. B. BARKER,
Manager, Toronto Clearing House.

A clearing house has been defined by a high legal authority as "an ingenious device to simplify and facilitate the work of the banks in reaching an adjustment and payment of balances due to and from each other at one time and at one place each day. In practical operation it is a place where all the representatives in a given city meet and under the supervision of a competent committee or officer selected by the associated banks settle their accounts with each other, and make or receive payment of balances and so clear the transactions of the day, for which settlement is made."

In Canada clearing houses are voluntary associations, and operate under agreements entered into between the member banks, but these agreements in no way restrict the rights the members may have under the statutory law. The associations are also under the authority and jurisdiction of the Canadian Bankers' Association, which is incorporated under Dominion statutes, and the rules and regulations for clearing houses laid down by this body form the general by-laws of the local associations. As, however, conditions vary in different localities clearing houses may deal with these conditions by passing local by-laws which do not conflict with the general by-laws mentioned.

How the Clearing House Works.

The actual operation of clearing is very simple. Each bank in a local association has at the close of business each day cheques and notes on the other banks which must be presented for payment. These items, sorted according to the banks on which they are drawn, are placed in sealed envelopes with the name of the depositing bank and the bank to which each is to go, and a slip attached bearing with these particulars the total amount of the items enclosed. The totals for the various banks are listed on a deliveries sheet, which the settling clerk takes to the clearing house, reporting the total on a signed slip to the manager of the clearing house, who credits the amount to the bank on his proof sheet. The sealed parcels are brought to the clearing house by the messengers, and at the hour for clearing the representatives of the different banks take their places at the clearing house counter opposite the partitioned space allotted to each of their respective banks, the clerks on the inside and messengers on the outside. When all are ready the signal is given, and the messengers advance to the next bank in line, deposit the parcel for that bank, and receive the clerk's receipt therefor. This continues until all parcels are delivered, and the messengers are back at their own wickets to receive the parcels from the other banks deposited with the clerks. These parcels are then checked and the attached slips removed by the clerk. No one may leave the clearing house after the clearing begins until the manager gives the signal after ascertaining that all are satisfied that they have received their proper parcels. The parcels are then taken to their respective banks by the messengers, and the clerks remain to balance the clearings.

The voucher slips from the parcels are listed by the clerks, and the total for each bank is entered on a settlement slip with the total of that bank's delivery, and the difference between them entered on a debit or credit voucher according to whether the receipts or deliveries are the greater. These slips are handed to the manager, who enters them on his proof sheet. This proof sheet contains the names of the member banks, and is ruled in four columns, headed respectively, "receipts," "deliveries," "due to clearing house," and "due by clearing house." In the "deliveries" column each bank is credited with its total delivery, and in the "receipts" charged with the total receipts shown on the settlement slip handed in by the clerk. The balance debit or credit is entered in the "due to" or "due by clearing house" columns. If the work has been correctly performed the total of receipts will agree with the total of deliveries, and the total due to clearing house, with the total due by clearing house. If, however, as often happens, there has been a mistake, the work must be checked until the error is located and corrected. The vouchers are then signed by the manager and distributed as they belong.

Fines for errors are imposed, usually 25 cents for a mistake in posting, and 50 cents for one in addition or subtraction. For failure to be on time there is a penalty of 50 cents a minute, with the possibility of exclusion from the clearings for the day for more than five minutes delay in reporting.

In some cities in the United States they are even more stringent, $3 for the first five minutes, $10 for the second five minutes and $25 for over that.

Actual payment of the clearing balances is not made at the clearing house, as in the United States, but at a designated bank, known as the clearing bank. Between the hours of 12 and 12.30 (on Saturday 11 to 11.30) the debtor banks must pay in the balances due and between 12.30 and 1 p.m. (on Saturdays 11.30 and 12 o'clock noon) the clearing bank pays out the balance due to the creditor banks, the debit and credit slips signed by the clearing house manager being the vouchers.

No payment may be made to creditor banks until all debit balances have been paid in and should a bank default, the clearing must be adjusted by the elimination of the figures of the defaulting bank. In such a case the other banks would receive back from the defaulter all their items cleared to it that day, as under the rules, each bank holds in trust the items cleared to it until the balances for the day have been paid.

In some centres a second clearing is held in the afternoon for returned items only, the procedure being the same as at the morning session, with the same schedule of fines. The balances are not, however, settled by payment in cash but the debit and credit vouchers representing balances dut are cleared as cheques in the next day's clearing. Differences or errors in the parcels are adjusted between the banks concerned by means of clearing house slips. These are practically I.O.U.'s, signed on behalf of the bank by authorized officers, and are cleared as cheques in the next day's clearings. Provision is made for the stopping of the clearing by notice to the manager by a member bank before a certain hour, should there be a difference which cannot be settled between the banks concerned. In this case the settlement vouchers of the banks concerned are recalled, and new ones issued for the correct balances with the disputed amounts eliminated.

Value of Clearing Houses.

In addition to the great saving of time achieved by this system of daily exchanges and settlement of balances between the banks the object of the Clearing House Association as set forth in the by-laws, is the promotion of the interests of the members, and the maintenance of conservative banking through wise and intelligent co-operation. There is, however, another benefit from the publication of clearing house results. These figures furnish the means of comparison of the course of the business of the country since the aggregate clearings reflect with a fair degree of accuracy the general trend of the more important factors in trade activities.

A falling off is obviously due to a smaller volume of cheques issued following a decrease in the amount of business done.

The value of these returns has been recognized for some years by economists and statisticians, who quote them extensively in their discussions of questions relating to the banking and commercial conditions of the country.

The idea itself is of comparatively recent growth. London had a clearing house in 1775, and probably some years before, but the membership was confined to private bankers and the proceedings were kept secret. It was 1854 before the great joint stock banks were admitted, and the Bank of England was not associated for some ten years later. In New York the first American clearing house was established in 1853, although Albert Gallatin had advocated it twenty years previously without success.

Canada was a late arrival in the field. Halifax was the first to organize in 1886, Montreal second in 1889, and Toronto and Hamilton in 1891. Since then other cities have followed, and at the present time there are twenty-seven clearing houses in operation in the Dominion.

A comparison of the early figures with those of the present time will be of interest. The clearings for the first four clearing houses for 1892 and 1917 were as follows:—

	1892.	1917.
Halifax	$ 59.872,489	$ 151.812,753
Montreal	590.043,000	4,188.255.210
Toronto	326.564.323	3,004.785,565
Hamilton	38,306,280	244.401,339

The figures for 1918 were not available when this article went to press, but for 1917 the total clearings for the Dominion were $12,552,821,949. Truly a wonderful showing!

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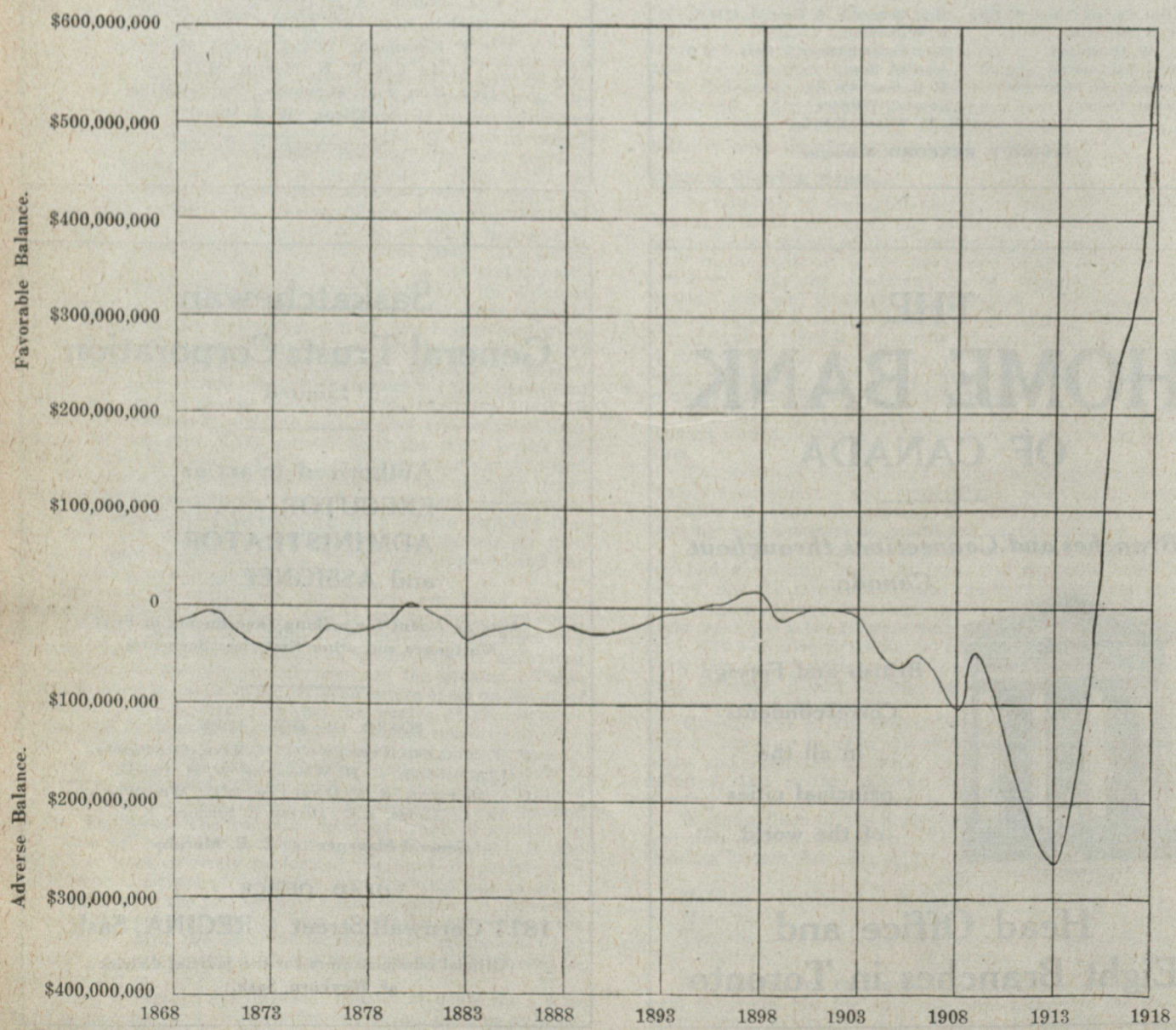
Canada's Trade Balance

Vast Effects of War Upon Our External Trade—Exports Now Greatly Exceed Imports—Comparison With Adverse Balance of Years Preceding War — Relation of Trade With Gold Movements and Borrowings.

VARIATIONS in the external trade of the Dominion during the past four years have been enormous, and illustrate the extent to which our industry and trade has been affected by war conditions. As the accompanying chart shows, high records in our trade balance has been reached during the war period. This chart does not indicate the aggregate volume of imports or exports, but merely the difference between them. Gold and bullion are not included.

Compared with the records recently set, variations from the year 1868 up to about 1903 were quite small. In the latter year our imports for consumption exceeded our exports of Canadian produce by $10,412,045. This adverse balance increased until in 1913 it reached the enormous sum of $254,334,466, or more than our total imports in any year up to 1908. This decade, it will be observed, coincides with a period of heavy borrowings on the part of Canadian governments, municipalities, and industry, and a considerable part of the excess of imports is represented by this introduction of new capital into the country. The "twentieth century is Canada's," we said, and on the strength of that belief we capitalized our enterprises by borrowing from whoever would lend. This career was comparatively short-lived, and fortunately a short period of depression in 1913-14 checked our course somewhat before war conditions forced a diversion of our energies into the path of production rather than of anticipation. Most of our industries have proved themselves equal to the new task; in a few cases it has been discovered that unwise investments were made, or at least that the growth of industry and population had been anticipated too far; and some enterprises, like the Canadian Northern, while they might be sound when conceived as a whole, were found to be, in their partially completed state, incapable of operating on a paying basis.

Smaller adverse balances characterized the years 1914 and 1915; in the fiscal years 1916, 1917 and 1918 our exports exceeded our imports by a total of over $1,100,000,000. This is not a safe calculation to reason from, however, as we have been



The Northern Trusts Company

Head Office - WINNIPEG

Paid-up Capital - - -	**$1,500,000**
Reserve and Undivided Profits -	**400,000**

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supporting an army overseas. The cost of this, in so far as it is borne by Canada, must finally be represented by the export of goods. The way it actually works out is that Great Britain advances us credits for pay and supplies for our troops, some of the supplies being, of course, purchased in Canada; we, on the other hand, debit Great Britain with her munitions and other purchases here. It happens that this account with Great Britain just about balances, and thus in effect we receive nothing for the munitions, but are relieved of corresponding obligations abroad.

Trade balances are to some extent adjusted by movements of gold to and from the country, but it is obvious that the differences during the decade 1903-13 could not have been adjusted entirely in this way. It was our heavy borrowings which made this continuous adverse balance possible, and when our external loans were checked in 1914, and practically ceased in 1917, corresponding effects on our trade resulted. We now do most of our own financing, whereas we formerly did only a part. And the result has been that trade has been restored to more nearly normal; for it must be remembered that normal trade in the case of Canada will be represented by a very considerable balance in our favor, as we must export more goods than we import in order to pay the interest on our external obligations, and to gradually repay them as they fall due. Our ability to do this will be demonstrated if we can maintain this balance.

UNITED STATES CREDITS TO ALLIES

Total credits advanced by the United States to the allies were, on November 16th, as follows:—

Great Britain	$3,945,000,000
France	2,445,000,000
Italy	1,210,000,000
Russia	325,000,000
Belgium	192,520,000
Greece	15,790,000
Cuba	15,000,000
Serbia	12,000,000
Rumania	6,666,666
Liberia	5,000,000
Czecho-Slovaks	7,000,000
Total	$8,178,976,666

The number of Canadian banks has been reduced this year from twenty-one to nineteen.

CANADIAN BANK CLEARING HOUSES

During the year 1918 there was one bank clearing house opened in Canada. This was at Windsor, Ontario, where operations were commenced on April 8th. The following is a complete table, compiled by "The Monetary Times," of the 27 clearing houses in Canada, showing the date of organization in each case:—

Clearing house.	Commenced business.
Halifax, N.S.	1886, 1 July.
Montreal, Que.	1889, 7 January.
Hamilton, Ont.	1891, 15 June.
Toronto, Ont.	1891, 21 July.
Winnipeg, Man.	1893, 4 December.
St. John, N.B.	1896, 1 May.
Vancouver, B.C.	1898, October.
Victoria, B.C.	1898, 2 November.
Quebec, Que.	1901, 1 May.
Ottawa, Ont.	1901, 9 September.
London, Ont.	1902, 1 June.
Calgary, Alta.	1906, 18 April.
Edmonton, Alta.	1906, 11 July.
Regina, Sask.	1909, 1 October.
Brandon, Man.	1910, 1 April.
Lethbridge, Alta.	1910, 1 September.
Saskatoon, Sask.	1910, 15 October.
Brantford, Ont.	1911, 1 January.
Moose Jaw, Sask.	1911, 9 February.
Fort William, Ont.	1911, 2 October.
Prince Albert, Sask.	1912, 1 November.
New Westminster, B.C.	1913, 2 January.
Medicine Hat, Alta.	1913, 1 May.
Peterborough, Ont.	1914, 16 June.
Kitchener, Ont.	1916, 10 January.
Sherbrooke, Que.	1916, 11 February.
Windsor, Ont.	1918, 8 April.

An examination of the list will give an interesting indication of the growth of Canadian industry and population. The first eleven clearing houses established included all the old cities and also Winnipeg, Vancouver, Hamilton and London, which had grown up comparatively recently. The decade commencing with the year 1902 witnessed the opening of most of the clearing houses of Western Canada. Up to this year those at Victoria, Vancouver and Winnipeg were the only ones in operation. Since 1902 nine have been established west of Winnipeg, the last being the New Westminster clearing house, which commenced in 1913. During this period only two others were established—namely, those at Brantford and Fort William, Ontario. Since 1913 four have been established, all of which it will be noticed, are in Eastern Canada.

WHERE OUR BANK BRANCHES ARE SITUATED

BANK	Ontario	Quebec	Nova Scotia	New Brunswick	P. E. I.	British Columbia	Manitoba	Saskatchewan	Alberta	Yukon	U. S. A.	England	France	Newfoundl'd	Mexico	West Indies	B. Honduras	British Guiana	Costa Rica	Venezuela	TOTAL
Commerce	92	78	16	4	5	42	23	61	49	2	4	1	....	1	1	....	....	....	....	....	379
Dominion	61	4	....	....	....	2	10	4	5	....	....	1	....	....	....	....	....	....	....	....	87
Hamilton	58	1	....	....	....	8	26	22	10	....	....	....	....	....	....	....	....	....	....	....	125
Hochelaga	15	91	....	....	....	....	3	4	5	....	....	....	....	....	....	....	....	....	....	....	118
Home	27	3	....	....	....	2	6	7	1	....	....	....	....	....	....	....	....	....	....	....	46
Imperial	74	2	....	....	....	13	4	19	14	....	....	....	....	....	....	....	....	....	....	..	126
Merchants	101	32	2	1	....	8	21	22	55	1	....	....	....	....	....	....	....	....	....	....	243
Molsons, The	50	38	....	....	....	3	2	....	4	....	....	....	....	....	....	....	....	....	....	....	97
Montreal	78	43	14	15	1	38	15	30	13	1	4	3	....	3	1	....	....	....	....	....	259
Nationale	4	233	....	....	....	....	....	....	....	....	....	....	....	1	....	....	....	....	....	....	238
Nova Scotia	62	8	30	33	7	3	2	5	4	....	3	....	....	18	....	12	....	....	....	....	187
Ottawa	62	15	....	....	....	1	7	9	1	....	....	....	....	....	....	....	....	....	....	....	95
Provinciale	10	68	....	6	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	84
Royal	143	51	54	19	5	41	25	87	30	....	1	1	....	6	....	47	1	3	1	4	519
Standard	97	1	....	....	....	1	2	12	14	....	....	....	....	....	....	....	....	....	....	....	127
Sterling	44	1	....	....	....	....	4	2	....	....	....	....	....	....	....	....	....	....	....	....	51
Toronto	68	8	....	....	....	4	8	21	9	....	....	....	....	....	....	....	....	....	....	....	118
Union	87	9	1	1	....	7	46	91	54	....	1	2	....	....	....	....	....	....	....	....	299
Weyburn Security	....	....	....	....	....	....	....	19	....	....	....	....	....	....	....	....	....	....	....	....	19
TOTAL	1133	686	117	79	18	173	204	415	268	4	13	8	....	29	2	59	1	3	1	4	3217

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CREDIT AND THE PRICE PROBLEM

How Great Britain and Germany Have Financed Themselves, and Helped to Finance Their Respective Allies —Effects on Prices

The problem of prices is fundamental in the life of nations, for it is through prices that goods are exchanged and the wages of labor paid. It is evident that abrupt alterations of values have far-reaching effects on trade and commerce and react intimately upon the business life of every community. It is essential, then, that business men and publicists give the closest attention to probable price movements in the immediate future, in order that measures may be undertaken to discount their effects.

The relation of credit and money to prices received scant enough consideration before the war. Attention was centered upon the production of, and the demand for commodities, while the volume of currency in circulation, discounts and deposits at the banks, and the flotation of national loans were often ignored as far as their influence upon prices was concerned. True, the bi-metallic controversy culminating in the election of 1896 in the United States led to much discussion of the connection between metal moneys and prices; but the far more important problem of credit in its relation to gold was neglected. As in so many other directions, the war has focussed attention upon vital economic issues which must be understood through intensive study if industrial stability is to be assured.

In a brief article it is impossible to survey the entire world-credit situation, and it must suffice to use illustrative data for present purposes drawn mainly from the United Kingdom and Germany, the two great powers that have followed radically different roads in managing their financial affairs. In each nation great changes have taken place, since the outbreak of hostilities, in connection with paper money issues, the creation of credits, the flotation of loans and the inauguration of new methods of taxation. Each of these factors has an intimate bearing upon the level of prices and each will continue to operate for a long time to come. In both nations there has been a phenomenal rise in prices; but in the United Kingdom prices have not got beyond control, and carry little menace of future danger to the profits of industry and wages of labor, while in Germany inflation must prove a problem the right solution of which depends upon the overcoming of truly formidable difficulties. A study of the situation with respect to credits and prices in Europe will throw light upon the problem that also confronts both Canada and the United States.

Britain's Advances to Allies.

In its issue of August 3rd, 1918, the London "Economist" presents important and interesting data bearing upon prices, credit and taxation in the United Kingdom and Germany for the four years of war. From these figures one discovers that the total war expenses of the United Kingdom, during that period, amounted to 7,130 million pounds sterling, of which 1,800 millions were "recoverable"—that is, might be repaid to the Treasury by foreign borrowers or from other sources in the future. Mr. Bonar Law has stated that of the loans made to the Allies probably one-half would be repaid. On August 1st, 1918, such credits amounted to 1,402 millions sterling and 208 millions to the Dominions, made up as follows:—

Russia	£568,000,000
France	402,000,000
Italy	303,000,000
Smaller States	119,000,000
Dominions	208,000,000
Total	£1,610,000,000

During the first four years of war Great Britain raised from revenue 1,221 millions sterling, or 23.04 per cent. of the total war costs. By way of comparison, it may be said that no other European belligerent has begun to approach this record, and that it was not until the United States had been at war for more than a year that taxation was relied upon in equal measure for financing its war efforts. For the fiscal year 1918-19 the United States proposed to raise by taxation 35 per cent. of its military expenditures—or 54 per cent. counting in loans to the Allies. This is a remarkable achievement, but it must not be overlooked that the Republic had got into a strong financial position by building up its export trade in war supplies with Europe, a trade upon which the United Kingdom was not able to rely in any great degree, except such as it financed itself.

From first to last the United Kingdom has arranged credits, for financing the war, of about $40,000,000,000. The greater part of the capital raised has been financed by the issuing of long-time bonds, although approximately $6,000,000,000 has been secured from the sale of short-date war savings securities. The "Economist," as well as several other important financial journals, has sharply criticized the Imperial Government for relying to such a great extent upon loans; but it is only just to observe that the main burden of war has been borne by the United Kingdom, among the Allies; and that the payment of approximately one-quarter the annual expenditures made necessary by the war has imposed a test that might well have tried the economic capacity of any people. Nevertheless, postponing taxation—taxation that is ultimately inevitable—merely disguises the form that the war burden assumes. Ratepayers who lend capital and pay interest upon war loans might just as well make up their minds to extinguish the obligation by apportioning the tax burden according to ability to pay, at once. There is this further menace in financing national enterprise, whether for war or peace, by loans—that it tends toward inflation, the debasing of the currency of the country, and to make the masses believe that prosperity, somehow or other, can be created or manufactured without hard labor and the application of capital to the essential business of production.

Credit Extended by Banks.

But not only are taxation and war loans important in their relation to production, consumption and prices, but also credit expansion by banking operations as well. The following table gives the data bearing upon the main items in the statement of the Bank of England for the periods of July 1st, 1914, and July 3rd, 1918:—

	July 1, 1914	July 3, 1918
Gold on hand	£40,000,000	£ 65,000,000
Circulation	30,000,000	55,000,000
Deposits	72,000,000	190,000,000
Securities	61,000,000	179,000,000
Reserve	29,000,000	29,000,000

It is significant that the securities in the banking department of the Bank of England are approximately equal to the deposits, indicating clearly enough that the deposits have been created by loans and discounts, which, in turn, are regarded as "cash on hand" by the great joint stock banks of the Kingdom. As our readers are aware, the joint stock banks impose upon the Bank of England the obligation of holding the cash reserves to support practically the entire credit of the banks of the nation. The significance of this makes itself plain in the tremendous expansion of the loans and discounts, and hence the deposits, of the joint stock banks themselves. Lloyds, the recently amalgamated Joint Stock and City and Midland Banks, have between them deposits of more than £600,000,000—three thousand million dollars, or more than the combined deposits of all the chartered banks of Canada. To understand the situation in its entirety one must keep in mind that Government treasury notes have risen from nothing, in August, 1914, to more than £263,000,000; a sum insignificant in comparison with the paper issues of France, Germany and Russia, but nevertheless somewhat disturbing to British financiers who have always looked upon paper money issues with distinct disfavor.

Course of Prices.

It was inevitable that these enormous credit expansions should have made their effects felt upon prices. The London "Economist's" Index Number, which is based upon the average of prices during the years 1901-05, this average being placed at 100, stood at 116.6 at the end of July, 1914, and at 279.5 at the end of July, 1918—an increase which is truly phenomenal when it is recalled that the prices of cereals, meats and other commodities were regulated by Government action. It may be mentioned that the Index Number of the London "Economist" is based upon five fundamental groups of commodities, including cereals and meats, tea and sugar, textiles, minerals, rubber, timber, oils and so forth. This tremendous advance in prices is therefore characteristic of consumption and production as a whole, within the United Kingdom.

On the surface the data presented would appear to prove that in the spheres of labor and industry the United Kingdom is in a somewhat precarious position. Be it recalled, however, that the United Kingdom has remained on a gold basis since the outbreak of hostilities; that it has enormously increased its productive equipment and its trained labor power, notwithstanding losses endured in war; that its foreign investments remain unimpaired; that it is in a stra-

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tegic position with reference to the European markets and the work of rehabilitation; that it still has the largest tonnage of ocean-going ships in the world; and that London will indisputably assume its former position as a centre of world finance. Great Britain, just because it is upon a gold basis, and because it has planned carefully for post-bellum reconstruction, will probably be able to readjust itself to new conditions of trade and commerce more quickly than any other nation in the world.

Germany's Position.

The situation in Germany is still obscure owing to the policy of concealment followed by the late Imperial Government, and owing to the fact that part of the burden caused by war is carried by the several states and municipalities. From the "Economist" the following facts, however, are available. On August 1st, 1918, German votes of credit amounted to £6,050,000,000, while expenditures have since been maintained at approximately $32,000,000 per day. The German Government counted upon a speedy victory with heavy indemnities imposed upon the Allies. This led to reliance upon loans, almost to the exclusion of new taxation, during the first three years of war. The taxation imposed was designed to meet the normal expenses of administration; and those made rich through war escaped carrying any new burden, the masses bearing almost the entire load. Out of six billion pounds sterling of war expenditures during the first four years, not more than £4,398,000,000 was covered by long-term loans, the balance being made good by taxation or carried forward as a deficit. The war loan bureaus, of which we heard so much during the first year of hostilities, had issued, by August, 1918, to borrowers, approximately $2,375,000,000. As an inducement to investors in the last war loan, the Government gave its assurance that the war loan bureaus would be maintained in operation after the close of the struggle; and that holders of war loans could raise capital, at the bureaus, on their war bonds to provide funds for private industry. This really meant that the Government had committed itself to a policy of post-bellum inflation. Prices in Germany for food products and raw materials have reached extraordinary figures; but a careful search has failed to make available authentic data on this question, or even figures that may be regarded as approximately correct.

At the outbreak of hostilities the Federal Government of Germany suspended specie payments, so that all note issues and bank accounts are at present, and must long remain, irredeemable in gold. At the end of June, 1918, the Reichsbank, the States Banks and the National Treasury had issued notes amounting to $5,150,000,000, as against $545,000,000 in July, 1914. The deposits at the Reichsbank, built up by loans and discounts, amounted on June 30th, 1913, to $2,295,000,000 as against $228,000,000 at the end of July, 1914. The deposits of the eight great German Joint Stock Banks at the beginning of 1918 amounted to $4,000,000,000 as compared with $1,000,000,000 in August, 1914. This huge volume of credit is unsupported by gold; and, since Germany has tasted defeat, may require years to be brought near to its equivalent in the yellow metal. The revenue of the Empire at the outbreak of hostilities stood at $750,000,000; and on August 1st, 1918—owing to the new taxation imposed on the profits of war industries, tobacco, liquors, railway tickets, increased postal rates and so forth—at approximately $1,750,000,000. To cover even normal requirements, not to speak of indemnities and reparation to Belgium and France, Germany will require an annual revenue, from now forward, of at least $5,000,000,000. And unless the huge paper money issues and part of the war debts are repudiated, it must be admitted that prices will rule high for years to come in the Fatherland. Germany gambled on winning the war in a few months, in imposing indemnities upon the Allies, and therefore gave no consideration to maintaining any real relation between credit and gold holdings, or between the extent of its obligations and its ability to pay. The result is economic exhaustion and financial demoralization.

Sufficient has been said to indicate how imperatively important it is for Canada and the United States to maintain the gold standard of prices. Canada should be able, shortly, to resume gold payments; for, after all, resumption of specie payments depends not so much upon the stock of gold on hand as in the confidence of the people in the capacity of the Government and the banks to meet their obligations. The maintenance of the gold standard, the gradual lowering of wages, economies in production, and the adoption of other methods that can be put into force gradually, will permit our manufacturers to establish themselves in the neutral markets and to meet the competition of the other nations of the world.

VOLUNTARY WAR ORGANIZATIONS

Various Institutions have Received About One Hundred Million Dollars in Canada

The following is a summary of gifts for various war purposes from the Federal and provincial governments, from municipalities, societies, universities, business houses and other corporations, and from private individuals:—

Canadan Patriotic Fund (to June 30, 1918)	$40,149,097
Manitoba Patriotic Fund (to March 31, 1918) ...	3,957,042
Canadian Red Cross Society (to June 30, 1918):	
Contributions in cash	5,700,000
Gifts in supplies (estimated)	13,000,000
British Red Cross Society (to December 31, 1917)	6,100,000
Belgian Relief Fund (to June, 1918):	
Contributions in cash	1,571,728
Gifts in supplies (estimated)	1,507,855
Contributions from Canada to Y.M.C.A. for military work	4,574,821
Gifts from Dominion and provincial governments to government of United Kingdom	5,469,319
To the above should be added miscellaneous gifts from various sources for many objects. These include contributions for the equipment and maintenance of hospitals overseas and in Canada, to the French, Serbian and Polish Relief funds, to numerous associations for the supply of field comforts to troops overseas and for the care of returned soldiers. These contributions, together with other gifts for various patriotic purposes, on a conservative estimate amount to	8,000,000
Total	$90,029,862
The approximate total of voluntary contributions from Canada for war purposes is, therefore, over	90,000,000

Of the various war organizations working in Canada, or amongst Canadian troops overseas, the most extensive in their operations are the Canadian Patriotic Fund, the Canadian Red Cross Society, and the military branch of the Y.M.C.A.

The Canadian Patriotic Fund is a national organization (covering all the provinces except Manitoba, which for this purpose is organized separately), the object of which is to give assistance where necessary to the dependent relatives of Canadians on active service in the present war. The fund is administered locally through committees serving gratuitously. The committees act on general instructions from headquarters, and are given discretionary powers as regards the approval of applications and the amount of grants. The funds are raised by voluntary contribution. Since June, 1916, the expenditure in relief work of the Canadian Patriotic Fund has averaged about $900,000 a month. This sum has covered the assistance of from 50,000 to 60,000 families.

The Canadian Red Cross Society is organized in eight provincial and 1,120 local branches. Its object is to furnish aid to sick and wounded soldiers as an auxiliary to the Army Medical Corps. The more important activities of the society include the supply of equipment for Canadian military hospitals, grants to British and other hospitals, care of Canadian prisoners of war, and the collection and shipment of supplies of various kinds. The approximate value of goods shipped by the society in 1917 was $4,613,795.

The military branch of the Y.M.C.A. carries on its work with the troops overseas, in 96 centres in France, and in 76 centres in England. These include regular camps and units, base camps, convalescent camps and hospitals. In Canada there are 38 centres of operation, including camps, barracks, Red Triangle clubs, hospitals, naval stations and troop trains. There were in 1917, 133 secretaries on the overseas staff with honorary commissions in the C.E.F. Of these 50 received their pay and allowances from the Y.M.C.A., while the remainder were paid by the government. In Canada 100 civilian secretaries are employed for military purposes by the association.

Herr Havenstein has announced the final total of the last German war loan subscriptions as 10,433,959,700 marks, of which 93.14 per cent. had already been paid.

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1 December, 1937	102	5.32%
1 November, 1933	101	5.40%
1 December, 1927	100.75	5.40%
1 November, 1923	100.50	5.36%
1 December, 1922	100.50	5.35%

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Financing After-the-War Industry

Accumulations of War Period Do Not Produce Economic Return—Many of Loans Will Have to Be Refunded—Should Governments Continue to Control Investment? —Many New Investors Have No Experience in Judging Safety of Securities.

By ADAM SHORTT

ONE of the most vital questions facing us at the close of the war and the beginning of reconstruction, is the future supply of capital, at once to enable the country to resume the functions of normal production and to take up the line of progressive development for which a country in the position of Canada must be prepared. There is a tendency on the part of those unacquainted with the underlying relations of our financial situation, to assume that once the war is over the great funds of capital loaned to the government for war services will be liberated for the general benefit of industry. The very prosperity due to the war, the enormous increase in the deposit accounts of the banks, the piling up of hundreds of millions in government bonds from the savings of the people, seem to indicate that, the war being over, a large part of these resources can be turned into productive enterprises. The average citizen who has saved and invested, say $1,500 in government bonds, naturally regards this as so much extra capital which he will be able to make use of in some attractive field of industry. What is true of one individual must be true of all individuals similarly situated. Hence, the vast sums saved and loaned to the government by the citizens of Canada may be regarded as available, either by sale, or as security for loans, to be employed in reconstruction and future development after the war. From this point of view there would appear to be no special occasion for the continuation of such saving as involves any patriotic sacrifice.

Apart from the fact that war expenditure is far from ceasing when the final armistice is signed, the surface aspect of our financial position indicated above is quite misleading. It is, in fact, highly necessary, at this stage of our own and world conditions, to impress upon our citizens that instead of the necessity for special saving for national requirements ceasing with the war, it is urgently necessary that this policy should continue for a very considerable period after the war, and after the cessation of government borrowings on war account. The possession of a government bond does not enable the holder to withdraw the capital invested in it. That has been spent on services and supplies purchased by the government, but which have vanished in the prosecution of the war. But, although the capital invested in the bonds cannot be withdrawn until the periods of their maturity, they represent none the less an excellent investment on the part of the purchasers; first, because the security is unquestionable, being the actual and potential resources of Canada, backed by the industry and integrity of the Canadian people; and, secondly, because the rate of interest, free from federal taxation, is attractive now and will become increasingly so as we return to normal financial conditions. In the interval, however, if the owner of a government bond wishes to utilize the capital which it represents, he must find someone else who has free and available capital, and who is willing to transfer it to him, either as purchasing his bond, or as a loan on it as security. As the amount of government bonds outstanding in Canada, as, in varying degree, among the other belligerents, is naturally very great, while the amount of available fluid capital is relatively somewhat limited, it need be no cause for surprise if the attempt to procure present working capital, from the sale or pledge of government bonds, leads to a temporary decline in their price below the rates at which they were issued. It is essential to realize, however, that such a decline in market price is no indication whatever of any impairment of the security of the bonds. It would be merely evidence of a temporary premium on ready capital. Such a decline in price, therefore, would simply be the strongest possible evidence, first, of the need to increase, by continued saving, the quantity of available fluid capital; and, second, of the very profitable nature of such saving, inasmuch as, in addition to enabling us to enter attractive fields in general business, it may enable us to purchase the safest of all securities, namely, government bonds at something less than par. These are certain to sell at a premium when conditions return to normal, and the combined high rate of interest and unquestionable security cause them to attract competitive buying from the enlarged funds of capital which will then be available.

Not the quantity of bonds in existence, therefore, or the soundness of the government or corporation issuing them, but the quantity of actual fluid capital for investment, will determine the extent to which the immediate development of the country can be undertaken. But there are only two sources from which the country can secure an increase of its fluid capital, namely, savings from the income of its people, and borrowing from abroad, which latter implies savings from the incomes of foreign people. Savings from income mean savings after meeting the requirements of continuing the business, whatever it may be, from which they are derived, paying the taxes levied by the various forms of government under which one lives, and meeting the daily personal and household expenditure of the individual. Assuming that the business is on a sound basis, it is chiefly the expenditure of the individual which is the variable element, and which permits of the greater or less saving of funds for additional investment. It is only from this source that new capital can come, either to enlarge one's own business or to contribute to others in exchange for securities or on the pledge of them. It is desirable, of course, to have securities which one may sell or pledge in order to obtain a share in the available fluid capital derived from the general savings. It cannot be made too plain, however, that only the available fluid capital at any given time, and not the amount of the securities which are available at that time, will determine what new enterprises may be undertaken or what old ones may be expanded.

If, during a war period, the fluid capital of a country has been extensively transferred to the government—a highly necessary and patriotic duty, of course—the fact nevertheless remains that when the capital is converted into plant for war and products and services for war, these are more or less rapidly consumed without any return. It is plain, therefore, that the piling up of government securities in place of the capital exchanged for them, merely measures the extent of the destruction of wealth, not the accumulation of it. The maintenance of the value of the government securities depends entirely upon the production of future wealth which will not be consumed without return, and upon the amount of this new wealth which can be saved to increase the productive power of the country. The interest payments of the government offer, of course, an opportunity for saving and reinvestment. But that interest is taken from the annual production of the country in the shape of taxes, without any return, representing a heavy direct burden upon the industry of the country, and therefore to that extent limiting the available savings fund. The whole of the interest fund is taken from the national production, but only that part of it which is saved by the recipients of the interest can be returned to industry as an additional investment. Thus, through whatever channels we pursue the products of industry, we always come back to the fact that, not the past savings of the country, which have been consumed and have left only obligations for the future in the shape of government bonds, but the present savings of the people from their actual industry, furnish a fund for present or immediately future expansion.

Borrowing at Home and Abroad.

To secure the means of reconstruction and future development, therefore, the only question which remains is, shall we furnish these funds from our own savings, or shall we attempt to procure them abroad from the savings of other people. We have already been made familiar with the fact that before the war we obtained most of the funds for government loans and for the larger semi-public enterprises, such as railways, from England. Large investments in min-

ing and other industrial undertakings came from the United States. Canadian savings took care of the smaller industrial developments and shared to a certain extent in the others, except the larger government borrowings, Dominion and provincial. The borrowings from abroad, especially since 1896, had expanded so much more rapidly than the payment required to be made on them, either on interest or capital account, that, except during the reaction from our speculative boom just before the outbreak of the war, Canada had always a favorable balance of exchange and therefore funds available for use in call loans abroad. In consequence of this situation we have never, within the past quarter of a century, brought to the test either the soundness of our investments from borrowed funds, or the self-sustaining capacity of the country. We seemed to be on the point of doing so when the war broke out, introducing new abnormal conditions which have since prevailed. The war conditions shut off first the British market as a field for unlimited borrowing, and later that of the United States, to which we had turned for a couple of years. We were thus forced back upon our own resources and the special requirements of the new situation have demonstrated that we can, partly by the process of saving and partly by curtailing all but war industries, finance ourselves to a larger extent than had been supposed. We cannot fully determine how far our international exchange position can be stabilized until some years after the war, when our troops have been repatriated and we are able to balance our normal production with our normal expenditure, including interest on the capitalized cost of the war. One conclusion, however, is reasonable—namely, that the fact of our having met so much of our expenditure from the financial resources of our own people will be immensely to our advantage in adjusting our international obligations. Although still heavily in debt abroad, we shall not be forced to send such enormous quantities of our products abroad without any return, simply to meet our interest charges, assuming that we shall be able to advantageously refund our capital charges. If, then, we can continue to meet the larger part of our domestic requirements, in the way of industrial capital, from the savings of our people, we shall not only benefit our international position financially, but save ourselves from possible embarrassment during the more or less stringent international readjustment following the war. The unpleasantness of being involved in international financial complications over which we have no control, is a very serious matter. On every account, therefore, in meeting the requirements of our domestic reconstruction and essential future expansion, and in avoiding the consequences of being dependent upon the foreign money market at a very critical period, we must frankly face the necessity for raising from our domestic resources, the greater part of our capital requirements during at least the period of reconstruction both at home and abroad.

Government Should Supervise Finance.

This involves a continuation of both the policy and practice of saving and investment on the part of the Canadian public. In order to render this policy effective it is necessary that the government should continue certain measures deemed essential to economic efficiency during the war, and supplement them by new measures required to meet the special conditions connected with financing the more essential productive enterprises of the country.

In promoting the policy and practice of saving and contributing capital for war purposes, the only question was how to impress upon the public the necessity for saving and investing as much as possible of their incomes in aid of the war. As all the capital was to be loaned to the government there was no question as to the relative values of the securities obtained. They all depended upon the national credit of Canada. Whatever the uncertainties in the minds of individuals as to the duration and outcome of the war and the ultimate effect upon Canadian credit, the same uncertainty applied with even greater force to all other securities within the country. When, however, the same people are urged to continue saving and investing in order to furnish the capital required for the various private and corporate enterprises engaged in the development of the country, not only must the citizens be persuaded of the patriotic necessity for such a policy, but they must be convinced of the reasonable safety of their investments, in other words, of the soundness of the credit and the economy and efficiency of the management of the enterprises to which they are asked to entrust their savings. Now, it is just as much a matter of urgent importance to the nation as a whole, as it is to the individual investor, that the enterprises in which the available capital of the country is to be employed during the period of reconstruction should be connected with the most important requirements of the country, and not absorbed in the production of non-essential luxuries, whether harmless in themselves, or more or less injurious to either the social or physical welfare of the people. So long, therefore, as the supply of available capital is likely to be limited, special measures are necessary to encourage its increase and to insure that the most essential industries and services of the country are first supplied with the necessary capital. This is simply to continue, in a much milder form, the policy of the government during the war in regulating the applications for capital on the part, not only of private corporations, but of provincial and municipal governments.

Individualism, However, Not to be Destroyed.

It is not, of course, to be expected that the government should take over the work of collecting the savings of the people and distributing them to the individuals and corporations carrying on the industries specially approved by the government. The freest play of individual knowledge, freedom and enterprise, consistent with the public interest, must be allowed. But, from lack of adequate knowledge and experience in financial affairs, a large section of the public is liable to find itself at sea with reference to the relative value and security of investments, and therefore liable to become the prey of plausible but unscrupulous promoters and speculators. It is quite essential, therefore, alike in the interest of the citizens, and through them, in the public interest, that those who require it should be safeguarded to the extent of being furnished with authentic and responsible information for their guidance in placing their savings, and thereby encouraged to increase the working capital of the country.

Measures to Guide Investors.

Certain measures are necessarily to be adopted by the government which are for the most part simply the logical development and sequence of those already enforced during the war period. These may be briefly summarized under three heads:—

(a) A carefully prepared list must be furnished of the most essential and necessary lines of production and service in which individuals and corporations may engage, and for the development of which they may solicit capital, after satisfying the representatives of the government as to the security afforded for the capital sums which they are authorized to obtain. In other words, all industrial enterprises seeking to borrow capital must apply for and receive licenses from a board of supervision before soliciting contributions of capital to assist in the conduct of their business.

(b) All parties who have confidence in their own judgment and experience to guide them in investing their funds may be permitted the utmost freedom to determine for themselves to which of the licensed enterprises they may care to entrust their capital.

(c) Those who have not the requisite knowledge and experience to qualify them to select their own fields of investment may obtain for their guidance lists of corporations authorized to apply for capital, which have satisfied the representatives of the department of finance, by the deposit of securities or in such other manner as may be prescribed, that they are able to guarantee either completely or in such percentage as may be specified the actual capital entrusted to them, and such interest as may be guaranteed on bonds, but without reference to dividends, which must, of necessity, follow the ordinary fluctuations of trade. This latter list of specially approved industries whose securities are more or less guaranteed, would represent but an extension of the principle at present applied in the case of the life insurance companies, though necessarily with greater flexibility in the use of their capital.

In this way the maximum freedom, consistent with the urgent requirements of the nation would be secured alike to those engaged in industry and requiring additional capital from the public, and to those having capital to invest, whether requiring guidance in the investment of it or not. Those who know their way about in the various fields of investment will not find themselves restricted in their choice, other than by the approved list of industries and services deemed essential to the development of the country; while those who are ignorant of the relative merits and securities of the various enterprises seeking capital, would have the opportunity of

finding the safest possible employment for their capital and would thereby be encouraged to further saving. Naturally, the rates of return will be more limited where the security is more perfect; but inexpert investors would be able to share to a much greater extent than at present in the more profitable businesses of the country. This will apply to a large number who at present have little alternative outside of the ordinary bank deposits or the government savings institutions. With this larger field of investment before them the public may be reasonably and consistently urged to continue as a patriotic duty the policy and practice of special saving, which has hitherto been confined to the furnishing of funds for war purposes, but which hereafter will be required for the almost equally urgent reconstruction of the financial, commercial and industrial equipment of the country.

Defects of the Old System.

To throw the large body of the citizens back into the old pre-war conditions of uninformed speculation and inadequate inducement to save, on account of the fear of losing their investments, is particularly undesirable during the period of readjustment and reconstruction which must follow. In all financial and commercial crises which have accompanied reaction from the inflated values of war periods, or from similarly inflated values incident to prolonged speculative booms, the financial distress and stagnation of trade and industry has been much more due to ignorant fear as to the security of investments, than to any actual dearth of capital or inability of the people to save and produce on a normal basis. This vague fear, by leading to the withdrawal of fluid capital and the consequent paralysis of trade and industry, actually accomplishes the conditions most dreaded, by reducing or paralyzing the purchasing power of the community and withdrawing the capital so indispensable to all economic operations. At such times, safety-deposit vaults, or their earlier equivalents, are croweded with inert funds, and only a very limited list of securities is saleable. By enlarging the field of investment for those unable to judge of the relative merits of current securities, by discouraging industries which are not beneficial to the country, and by eliminating the mere gambling propositions in business, by requiring all enterprises soliciting capital to demonstrate that their business is in harmony with the public interest and affords reasonable security for investors, a great deal would be done towards stabilizing economic conditions and eliminating the dangers of panic while the inevitable and salutary process of deflation is in progress. It is as much the right and obligation of government to conserve and safeguard the national resources in the return to normal economic conditions as it was to secure the concentration of those resources for the supreme obligation of winning the war.

SECURITY MARKET IN 1918

Past Fifteen Months Full of Varied Experience and Wonderful Achievements—All Indications Point to Higher Prices

By J. M. Robinson.

Now ends a year of wonderful moment in the world, a year of remarkable history, no less in the accomplishments of finance than in the military successes and the political features.

Without going into the averages, over a period of years, of the prices and yields on standard investments to prove that the year 1918 has been an exceptional opportunity for the careful investor, a general review of our security markets during the past twelve months is of peculiar interest.

More than a year ago the war boom in the stock markets ended and financial disaster was narrowly averted by government action

The close of 1917 proved to be the termination of what, in the language of the "street," is known as a "bear market." About the middle of last December railroad securities and government bonds had declined to an unprecedented level. It required the action of the United States government in taking over and operating the railroads of that country to inspire confidence in the mind of the average investor. On the announcement by the President of the United States that the government was taking over the railroads and the assurance that dividends would be maintained out of the public treasury, if necessary, there was a spectacular advance in all railroad securities on this continent and many government bonds also strengthened from that date.

Our stock markets were erratic throughout the first half of 1918. A short-lived bull movement in May was followed by a sharp decline and then by a long period of gradually strengthening prices.

It is quite generally conceded that the stock market discounts the events of the future from six months to a year in advance. Admitting this theory, the bear market of the latter part of 1917 probably discounted the tremendous offensive of the Central Powers which proved so costly to the Allies during March and April last, and the bull move of May, followed by quiet, though steadily rising prices of securities, perhaps forecasted the glorious success of our armies during the period from July to November. One after another the enemies of freedom have capitulated until at this writing, when the Allies are rejoicing over the abdication of the Kaiser and the armistice terms secured from Germany.

The greatest war in history is over and when the colossal expenditure of the last four years is considered, we cannot but feel surprised and thankful that our security markets as well as our industrial and agricultural development did not become more disorganized than has been the case.

A good deal has been and is being written about the probable effects of peace on our security markets and views of many authorities differ widely. We feel assured that under wise government direction our export business should develop very rapidly during the next few years to the particular advantage of our industries and our agriculturalists.

Prosperity for our industries must mean high wages for employees, good dividends for stock holders and a broader market for such securities. Prosperity for our agriculturalists must mean further development of our farms, better roads, better schools, a contented rural population gradually developing into an important factor in our investment market.

Security Market Broadened.

The educational value of Canada's five war loan campaigns is inestimable as a means of broadening the market, particularly for our government securities.

To-day, flushed with success in the battlefields of France, and encouraged by the phenomenal achievements of the United States and Canada in the latest Liberty and Victory bond issues, this continent faces with confidence the coming period of readjustment and development. What does the future hold? No man certainly knows the answer and as a financial house we would hesitate to express any opinion except in our own line. We have, however, a firm and settled conviction that the low prices of high-grade securities has been seen. We believe, for instance, that Canada never again in this generation will pay 5½ per cent. interest for her money and we predict that the lowering of rates of interest which has followed all wars, must follow this one, for the conditions are similar, only of greater magnitude; higher prices for our municipal bonds, and for those others in the public utility and industrial classes of undoubted worth, may accordingly be expected.

Course of Bond Prices.

From 1885 to 1887 the rate of interest was about 6 per cent., judging by the face rate of municipal bonds issued at that time; in 1900 the rate of interest was about 3½ per cent., judging again by the face rate of municipals; in 1917 and 1918 the rate of interest was 6½ to 7 per cent.; the cycle is complete, the trend of interest should be downward.

Again, in 1815 British Consols sold to yield about 5 per cent., in 1824 they sold to yield 3 per cent., rather a remarkable rise; in 1864 United States Government sixes sold to yield 5¾ per cent., in 1869, only four years later, they sold to yield little more than 3½ per cent., a very strong advance. These facts are worthy of note, particularly at the present time when so much capital has been borrowed from the future and placed at the disposal of the present; this has swelled our daily circulation, it has swelled our assets no less than our liabilities and must be employed. Should employment for money slacken, and it is difficult to see that the future holds any other prospect, this body of capital will seek investment first in the safest channels which as always are the government and municipal bonds of our country.

So much for bonds. The same thing will be true of the best issues of stocks; public utilities which have suffered most from the high prices of material and the increased wages will again come into their own; the rails as a class will be sought after, in short all avenues offering safety of investment will be followed by accumulating capital; the demand will be in excess of the supply with the result that always follows that condition.

Canada has gone through a critical period of her history during the past four years. She has emerged with flying colors and we are most optimistic concerning her future in general and her security markets in particular.

Railway Relations—Economic Prospect

Three Species of Railways now in Operation—New Problems Resulting from State Ownership — Canadian Northern is State Owned but not State Operated — Problems of Rates, Labor and Colonization

BY W. T. JACKMAN, M.A.

DURING the last two years, Canada has been making railway history, whether we regard it as desirable or not. By the legislation of September, 1917, the ownership of the stock of the Canadian Northern Railway was transferred from private hands to the Dominion Government, and by the action of the latter a new board of directors was appointed in September, 1918. In taking over this road the government's plan was to leave intact the former operating staff, which had shown such efficiency, so that its good service might be continued to the public without any disruption due to the change of ownership. Accordingly, Mr. D. B. Hanna, who was the chief operating official of the railway under Mackenzie and Mann, was chosen as president of the new directorate, and to him has been entrusted the management of the line for the government. In his former position he showed executive ability that was noteworthy, and his advancement would seem to indicate that the desire of the new owners of the road is to make it a greater factor in the future than it has been in the past in developing the section of country served by it. It may be noted here that the road is not, like the Intercolonial and the National Transcontinental, under the control of the Minister of Railways and Canals. It has been thought to dissociate it in this way from political interference; and, when its new management has secured the effective organization of all branches of the service, it is intended that the other government railways shall be allied with the Canadian Northern and operated under its control. By this means, it is hoped to build up a great state railway system across Canada from the Atlantic to the Pacific which shall be comparable with its rival, the Canadian Pacific, and shall be, like the latter, a vigorous agent of the country's progress and expansion. It will be seen, therefore, that at present we have three kinds of railways in Canada: first, those which are owned and operated by private companies, such as the Canadian Pacific and the Grand Trunk; second, those which are owned by the government but operated by a private company, as in the case of the Canadian Northern; third, those which are owned and operated by the government under the supervision of the Minister of Railways, such as the Intercolonial and the National Transcontinental.

To the inquiring mind this state of affairs would naturally lead to some careful consideration as to what would be the outcome of such a hybrid system of administration. I do not propose here to inquire into the reason for the existence of this railway composite, nor to discuss the relative merits of government and private ownership; my purpose is rather to point out what we may, under the present conditions, expect as the results of the outworking of economic facts and principles.

In the first place, then, what may we look for in regard to the competition of the government road and the private roads? If the government allows the Canadian Northern Railway Company a free hand in the administration of its affairs, we may anticipate that the rivalry which has heretofore existed will be continued. Rates will be adjusted upon such a basis that all the lines can compete as equitably as possible for the traffic of any place where two or more railways converge. The competition in rates which many have supposed to prevail under the system of private railways was almost, if not entirely, absent. The fact is that such competition would have been intolerable, for it would have meant a state of continual war of road against road. So, as far as rates are concerned, all competitors stood upon an equality under like conditions. We may confidently look for the continuance of this state of armed truce if the Canadian Northern be allowed to go on unhindered by any interference. In fact, in most countries where there are both state and private railways, the governments have usually found it necessary to prohibit competition between them. Unless this be done, experience has shown that state railways are just as likely as private roads to resort to devious methods, such as discriminations between places and persons, in order to get business.

Politics a Factor in Rate Fixing.

But in the matter of railway rates, we cannot help but see that great pressure will be brought to bear upon the government to compel, if possible, some, if not a considerable, reduction in the case of the Canadian Northern. We do not forget that last winter after the Board of Railway Commissioners had decided that an increase of rates should be made effective for all the lines, Ottawa was besieged with petitions and memorials from associations of agricultural, industrial and commercial interests urging the setting aside of the board's judgment. It is strange that such a decision, reached by a commission which commands the confidence of the best elements of the nation, should be so vigorously attacked from many quarters. Fortunately, the Union Government upheld the board in its action; but it requires only a little thought to see what would probably have been the result had there been in power a single party. Each party is anxious to stand as strong and to command as large a vote as possible at forthcoming elections; and rather than remain inflexible for justice under such occasions the party in power would be almost certain to relax its sense of justice in favor of the policy of expediency. If this course were not taken when so much pressure was brought to bear upon those in authority, it might be confidently expected that the opposition would use such circumstances as a means by which to assist them into power when the time arrived for the next election. When we note the strength of the Grain Growers of the west, and the increasing influence of the United Farmers of Ontario, both of which are seeking to ally labor with them in their efforts to secure legislation for their benefit; and when we remember that even in the ranks of the commercial classes there are many who are sufficiently short-sighted to see only their own immediate and temporary interests—can we anticipate that a government would be so firm as not to yield to the demand for low rates in the face of the probability of commanding all these votes? The growing power of those who imagine that the railways are levying toll from all classes in the community for their own private enrichment is being increasingly felt in legislative halls; and when the present administration at Ottawa yields place to party government once more, if not before that time, it will be inevitable that those in authority will find strong representations made to them that what is required to make the country prosperous is a reduction of freight rates; that by this means trade and industry would be facilitated, agriculture would be released from its fetters, and the whole nation would feel the effects of such a stimulus. Where could this reduction of rates occur more appropriately than on the people's road, which does not have to pay dividends to private capitalists, but which has the whole country behind it to make up any deficits by contributions from the public treasury? The people own the road and should get the benefit from it in the form of lower charges for the carriage of their goods. Doubtless, this will be the line of argument employed. Then, should there be a decrease of rates on the government road, the private lines would almost inevitably have to follow, or else the bulk of the traffic would go to the railway offering the lowest rate. It is possible that this demand for reduction would continue and the rate changes become so drastic that the private railways would have to appeal to the courts and secure decisions against the rates as confiscatory. Is the attitude of the people towards the railways of this country such as to lead to this result? We have seen it lead to this recently in the neighboring republic; and the people and the legislatures here can be just as easily stampeded into taking unjust measures as those in the United States.

Deficit Financing Already Suggested.

Already this movement for low rates has gained some headway. No sooner had the government appointed the new directorate of the Canadian Northern than some of the supporters of the government road immediately declared for rates that would be low enough to "effectively promote commerce and industry." In other words, on the basis of this plea they would have such a decided reduction of railway charges as would not allow the railway enough revenue to meet even its operating expenses, but would have the operating deficits and the fixed charges paid out of the public receipts from taxation. Some newspapers of the country have scattered broadcast the seeds of such business nonsense and have been influencing popular sentiment to demand such a policy "in the interest of the national welfare." This is the method which has been followed by the government in the case of the Intercolonial; but, while there are some facts which can be used in extenuation of this policy for that line, especially the understandings which were part of the basis of Confederation, there are no such factors effective in the case of the Canadian Northern. This road has invariably paid its operating expenses, and could always have paid its fixed charges, even under the adverse conditions since 1914, had it not required to spend largely for equipment and betterments. There is, therefore, no reason now why its rates and fares should not be kept high enough to meet the expenses of operation and all fixed charges, particularly since under the new ownership there will be probably a complete remission of taxes. There is, in the case of this road, no reason why passengers and goods should be carried at less than cost, and the deficits made good by either direct or indirect taxation upon all the people, many of whom never use this railway. We had thought that the idea of railway charges being the same as a tax had been exploded long ago, until we find it even yet cropping up here and there among those whose thinking power is defective. In Prussia, which has the only really efficient system of state railways in the world, the rates are kept high enough to yield a good surplus to the state. The desire on the part of the Minister of Railways in the Borden government to have rates on the Intercolonial Railway increased was a step in the right direction; but if the government should now listen to the plea of those who want rates on the unremunerative basis "so as not to endanger the working of government ownership" it would be making a distinctly retrograde movement, instead of promoting efficiency and spirit in the service.

Relation With Labor is Different.

Another of the problems upon which we ask for light, because of its intimate relation to the success or failure of the railways is the relations of the latter with labor. Time after time, we have seen labor organizations call a strike, in virtual defiance of the Industrial Disputes Investigation Act; and when they have to deal with a private company, their demands, if granted even in a measure, must be very carefully considered in connection with the company's financial condition. In this way the attitude of organized labor, which sometimes assumes a peremptory tone of imperiousness, is held in check by the equally strong employer who can demonstrate his power to resist such dictatorial conduct. But what will the government do in case a strike is ordered on its own road? We know what governments in the past have done. The natural thing, in case of disagreement, is to appoint a board of arbitration to adjust the matters in dispute; and when it is a private railway that is concerned the award of the arbitrators is usually accepted. But with a state railway, unless the award is very favorable for the workers, they commonly feel that they can get most, if not all, of their demands by appealing from the arbitrators' decision to the government. They realize that the latter is dependent upon holding the majority of the votes of the electors, and that, rather than lose the votes of tens or hundreds of thousands of the men and their sympathizers, the government will meet their wishes. If the party in power refused to do this, overtures would soon be made to the men by the party out of power, and the next election would probably bring a change of government. The fact is that, in the case of government railways, such circumstances as these tend to demoralize the laboring class. Railway labor becomes the master, and it is sufficient in many cases for them to threaten the government in order to compel acquiescence with their demands. Laborers would not be human if, recognizing their united power through the ballot, they did not exert this power to the utmost, sometimes to securing unreasonable results from their servant, the government. The history of the publicly-owned railways of France, Italy, Australia and other countries abounds in instances of this kind. When this is the condition on the state railways, it is not difficult to foresee what may be the outcome on the private lines. If the government increases the wages or reduces the hours or grants other concessions to its own laborers, the private lines must follow the same course or else there will be endless discontent and unrest. As typical, note the dissatisfaction of labor upon the short-line railways of the United States to-day. These have not been taken over by the Railroad Administration, and, therefore, their laborers have not shared in the increased wages granted to the men employed on the railways under that control.

Another fact concerning the relation of the government to labor is that state-owned roads become over-manned in the numbers and under-manned in the efficiency of the workers. The Intercolonial has shown us a case in point, for on two different occasions when the Minister of Railways desired to secure better results from that road his initial act was to throw out at one sweep seven or eight hundred of its parasites. To anyone who knows anything about our government it is common knowledge that the whole system is cumbered with a multitude of political appointees whose inability is notorious, and who clog the wheels of an administration that desires to be effective. Other countries have noted vast increases in the numbers of laborers and in the total wages paid when private railways have been transferred to the state; whereas while the lines remain in private hands there will be fewer laborers employed, the *total* wages paid will be less and the operating efficiency will be greater. This contrast is written large upon the pages of railway records. In the case of the Canadian Northern the ostensible aim of the government is to keep it free from political interference; but the fact that it is *already* in politics places it upon practically the same basis as all other government roads. We will not say that a great increase in the number of workers of all grades will be *immediately* seen on this road; but within a short time it is indubitable that the offices, shops, etc., will be so filled up with political favorites that there will be a radical change in the operating ratio of this railway through the inability of its head to control the entire policy.

Constructive Work in Colonization.

Again, in a developing country like Canada, in which merely the framework of the railway net has been laid down, an important consideration is as to the policy which is likely to be pursued with regard to the opening up of new territory through the construction of new railway lines or branches. In the agitation for the acquisition of the Canadian Northern it was said that if the government assumed control of this line it would have one of the most effective means of carrying on the colonization of large sections of the west with settlers from the British Isles and Europe; that by putting down the railway rates the settlements would be able to push further and further back from the present frontiers. But, in order to induce such opening up of new and more remote localities, the railways must either build their lines in advance of the coming of settlers, as has been done by the private railways, or else closely follow the arrival of these pioneers. Will the government road be the great advance guard, leading the way into more and more distant sections, as it was proclaimed it would be? If it should be, there will have to be a complete reversal of governmental policy concerning this matter. Governments like ours act according to the amount of pressure which is brought to bear upon them by those who have influence. In a newly opened section the few homesteaders would have very little political power by means of which they could compel governmental recognition of their claims; and, consequently, the extension of branches of the state-owned railway would be long delayed. But if this particular section promised to yield large amounts of traffic in a few years, the private railways would find it to their advantage to take up with the government the matter of extension of railway facilities, and they would exert their influence on behalf of these settlers and for their own interests. So, it is a natural conclusion that the great work of pioneer development in the vast areas of the west will still be done by private capital invested in private railways rather than through the agency of the state railway. The great amount of capital to be expended by the Canadian Pacific in this work immediately after the war is a significant corroboration of our conclusion.

The limits of this article preclude the mention of several other important topics which should be kept in mind; but I have endeavored to draw attention to the three greatest issues, namely, that of rates, that of labor and that of providing facilities in new territory for the expansion of settlement and cultivation.

CANADA AND THE WEST INDIES

From "United Empire," the Journal of the Royal Colonial Institute

By H. J. Crowe.

The consolidation of all the British possessions in North America into a Greater Canada should appeal not only to the imagination, the practical mind and the national spirit of Canadians, but also to the people of the West Indies and the Mother Country. I shall endeavor briefly to give some of the reasons why, in my opinion, a commercial and political union would be in the interests of Canada, the British West Indies and Newfoundland, as well as of the Mother Country. It is generally admitted by statesmen in all these countries, that because of her burden of local, colonial and foreign affairs in the past, the Mother Country has been obliged to neglect the British West Indies. After peace is declared, there will be added to these burdens an enormous war debt and the reconstruction of home affairs; but if the British West Indies became an important part of the Dominion, the Mother Country would be relieved of the responsibility of giving these islands the attention to which they are entitled, if they are to "come into their own." As to the fear expressed that she would suffer commercial loss by Canada having the free entry into the market of the British West Indies, I believe the reverse would be the case. This confederation should rather increase the trade that the Mother Country is now enjoying in these islands, because of their greater purchasing power, due to the development resulting from Canadian enterprise and the investment of Canadian capital. As this confederation would establish the Canadian tariff in the British West Indies, Great Britain's producers would then have a preference over foreign countries which is not granted to them by the present governments of the British West Indies. With respect to the political importance of this consolidation of British possessions in North America into one Dominion, the Great War has made it clear that the Mother Country can be strengthened only as her Dominions and scattered possessions are strengthened and become consolidated.

Industry Would Be More Diversified.

Canada at present has no tropical territory, and if she is to approach an equal footing with the United States, with respect to variety of climate and products, she will need to include within her Dominion these rich tropical islands. Lying as they do at the crossing of the trade routes between Europe and Panama and North and South America, and owing to the fact that through their zone there must in the future pass much of the world's trade, they are of great strategic importance.

As to the British West Indies, they would then be part of a rich, young, northern nation, whose energy and capital would develop their productive soil, increase their transportation, give them free entry into the ever-growing market of Canada, enable them to hold their present market with other countries, and, in addition, participate upon an equal footing in the advantageous reciprocity treaties Canada is able to make in foreign markets—particularly the United States—because of her boundless wealth and natural resources. Under this consolidation they would retain their old traditions and what they hold dear of their history and achievements, through a system of local government similar to their present administration.

Confederation between the British West Indies and Canada would be an additional incentive for Newfoundland to enter the Dominion. She could not afford to remain out of this consolidation of British possessions and thus lose the full advantage of direct steamship service and free trade with this ever-increasing market of 2,000,000 consumers of her staple commodity, fish. She would have the additional advantage of importing direct, free of duty and at a low cost of transportation, sugar, molasses and fruits.

To turn now to specific objections urged against confederation. Doubt has been expressed as to whether, after full discussion, either side really desires the union (political as well as commercial).

Political Union Would Strengthen Economic Ties.

History has proved the instability and changeableness of purely commercial treaties between these countries; therefore, there should be not only a commercial union, but a political as well, so that the machinery would be provided for adjusting and binding together their commerical ties and mutual aspirations. While the union into a separate Dominion of the British West Indies, and a commercial or reciprocity treaty between some or all of the islands, have been attempted in the past, I do not think a political and commercial union of all the islands with Canada has ever been officially submitted to any government of these countries. It would, therefore, be difficult at this time to estimate accurately what the public sentiment would be when the facts and advantages are clearly placed before the people; but judging from what has been said by representative men of these countries, and the interest expressed in the Canadian and West India press, I believe we may safely infer that the subject of this union would receive the serious consideration of the Canadian and West Indian people. I would venture to refer to the attitude of some of the leaders of public opinion on this question.

When the question of this confederation was brought up in the House of Commons in Ottawa in the winter of 1917, Sir George Foster, the acting Premier, said:—"The Dominion Government would look favorably on the proposal, but any movement in this direction must emanate from the West India Islands themselves," adding, "the string of the latch is always on the outside, and the light is always burning in the window." The Prime Minister, the Right Honorable Sir Robert Borden, I have reason to believe, takes even a stronger position with respect to the consolidation of these British possessions. The Times, of March 14th, 1917, in an editorial endorsing an article by the writer which advocated confederation between Canada, the British West Indies and Newfoundland, summed up the attitude of the Mother Country, in its opinion, as follows:—"The British Sovereign, Parliament and the opinion of Great Britain would entirely welcome such a political union. The tide is setting strongly towards a closer union of the Empire. The amalgamation under a single federal government of Canada, Newfoundland and the West Indies would be a long step forward in the same direction." Earl Grey, not long before his death, in a letter to the writer, said:—"A commercial and political union of these countries would appear to me to be in the interests of Canada, the West Indies and the Empire."

Again, doubts and fears have been expressed with respect to "the government of the islands being improved by Canada having federal control of same, and the difficulties of the West Indies having a common citizenship with Canadians." But there need be no change in the present system of government for their local affairs. Their international and foreign affairs, tariffs, post-office, marine and fisheries departments, and public works, would become centralized in the Federal Government at Ottawa, where they would have certain representation.

Race and Color.

As to the difficulties of citizenship, the difference in color and race should not make it so very much harder for Canada to govern, under these suggested terms of union, than it is for England now. Their present limited franchise, which is working satisfactorily in the islands, because of their geographical position and climatic conditions, which do not produce agitators as in a northern climate, need not necessarily be enlarged. I do not think the supposition that a large number of West Indians would leave their homes and emigrate to Canada after confederation is well founded, because they would then have no greater inducement to invade our Dominion than they have at present. On the contrary, the extra demand for labor resulting from confederation would, in addition to climatic conditions, be sufficient inducement to keep these natives in their own more congenial surroundings.

In the ranks of the representative colored men in the British West Indies are found graduates of universities of Great Britain and the United States, editors, doctors, lawyers, who are a credit to their professions, and who would grace the floor of any parliament. The interchange of ideas between such men and Canadian statesmen would be mutually beneficial. I have found the colored people of the British West Indies gentle, kindly of feeling, sensitive and receptive of enlightenment, and I am sure it would do much to broaden Canadians, if they assumed the responsibility of adding these islands to their Dominion.

The failure to bring about successful commercial treaties between Canada and the British West Indies has been used as an argument to show the difficulty of accomplishing political union. In my judgment, this failure has been due to the lack of machinery and support for making the commercial interests mutual, workable and permanent, which conditions would be established by a political union. As an illustration of the above objection, the case of Trinidad has been mentioned. That island, when about to close a reciprocity treaty with Canada in 1900, withdrew, and from the islanders' own point of view, I think, they were perfectly justified. Why should an island, selling the major portion of its products to the United States, lay itself open to discrimination through a hostile tariff, by giving preference to Canada, which, because of having no political interest in the island, would be unable to protect it?

Trade and Reciprocity.

The present reciprocity treaty between Canada and some of the islands, I understand, is not satisfactory to the latter, because those islands, not granting Canada any preference, are receiving the same concessions, and on this account the treaty is likely to be annulled—another evidence of the instability and unsatisfactory results of a commercial union without a political tie.

In 1915 Canada imported tropical products to the value of $30,000,000, only one-fifth of which came direct from the West Indies. Most of these imports, apart from sugar, reached our markets through the United States, and the steamers delivering them were bound to have their return cargoes made up of United States products rather than Canadian. Conversely, Canada exports to the island of Jamaica alone only one-tenth of the flour consumed there. However, even under present unsatisfactory commercial treaties and lack of direct transportation facilities, the exports from Canada to the West Indies have more than doubled during the last three years, and the imports have increased from about $8,000,000 to $21,000,000. If our consumption of tropical products increased at the same ratio, in ten years they would amount to $50,000,000. From these facts we can form some idea of the enormous advantageous trade that would be established between Canada and the British West Indies under confederation, when there would be free interchange of commerce and increased direct steamship communication.

Transportation.

The limited steamship service now established between Canada and the West Indies, which is confined to the ports of Halifax and St. John, would be supplemented by fast cold-storage boats, with modern equipment for carrying passengers, fruit and early vegetables, which would run up the St. Lawrence to the great centres of Canadian population; also by slower boats carrying imperishable tropical products, such as sugar, molasses, coffee, etc. When navigation is closed, these St. Lawrence boats would be diverted to Halifax and St. John, and with the present maritime service, the terminal facilities at Halifax (on which the Dominion Government will spend about $25,000,000), where three transcontinental lines of railway will run, will offer exceptional facilities for direct transportation of cargoes of tropical products, through the rich provinces of Quebec and Ontario, to the Great West, all the year. I believe it would be found feasible for the slower, cold-storage boats, on their way from the West Indies, before going up the St. Lawrence, to touch at a port in Newfoundland, and after discharging their products for that country, have loaded on them fresh fish from the Newfoundland cold-storage plants, for delivery to the large, growing markets of Upper Canada and the West. On their return voyage to the West Indies, these boats, after discharging the Canadian freight for Newfoundland, could fill that space with dry fish, thus giving the Newfoundland merchants and fishermen regular, frequent and direct facilities of transportation to these islands of the products of their marine fields, which possess such boundless wealth, and supplying the people of the West Indies with this much-desired article of food in greater quantities.

What is of paramount importance in this confederation is the strategical position of these British West Indies, lying as they do in the pathway of trade routes between North and South America, with Jamaica at the entrance to the Panama Canal, upon which the future development of British Columbia will, to a considerable extent, depend. It is of the utmost importance, for the safety and future economic development of the Empire, that these British possessions in the Caribbean Sea should be strengthened and consolidated.

We are bound to realize more and more how much the world depends upon tropical products, and that the great rivalry of the future will be for the control of the tropics. This is substantiated by the United States securing control of important islands in the West Indies, and I believe that they are looking for more. The Canada—West India Magazine published statistics showing that more American goods were sold to the West Indies in 1916 than to the entire continent of South America. The West Indies, including Porto Rico, bought in 1916 seven times the value of goods made in the United States that China bought, with its four hundred million inhabitants. In view of these facts, is it not about time that we should awaken to the importance of developing the British West Indies with Canadian capital and energy, and endeavor to keep as much of this tropical trade as possible within the Empire?

Having regard to the future growth of Canada, I would again urge the importance of our Dominion carefully weighing not only the mutual commercial advantages which I have endeavored to outline, but also the strategical importance which the Caribbean Sea will acquire in the near future. Canada should not lose the opportunity, if it were offered her, of rounding off her Dominion into a Greater Canada, by acquiring this tropical territory larger in area than the Dominion of New Zealand, with double its population, providing it would be equally to the advantage of the British West Indies. Our Dominion, while paying the largest price in this war of any child of the Mother Country, has not, as a result of her great sacrifices, willingly made for the Empire and humanity, added to her territory. This, of course, is due to there not being any German possessions in North America. On the other hand, South Africa, Australia and New Zealand have acquired from the enemy tropical territory larger than the German Empire.

Steps to Confederation.

It has been suggested that confederation with Canada should be preceded by a separate Dominion of the British West Indies, or by commercial union between these islands. Many official and unofficial attempts have been made during the past hundred years or more to establish a commercial or political union between these islands, also a commercial union with Canada; but not one has yet fully succeeded. These failures do not make the outlook very promising for the realization of either scheme in the near future. They show that such solutions of the problem are neither feasible nor desirable. These islands have never been able to unite on questions of lesser importance than either commerce or politics, owing perhaps to local jealousies or to the fact that, having too much in common, there can be no interchange of commerce or ideas. This proposed local union, if it could be achieved, would not add to the prosperity of these islands, nor place them in a better position to bargain with Canada or the Mother Country, as a well-known writer has stated, because their power would be small and their retaliatory strength negligible. I believe the interests of the British West Indies would be best served by their becoming a partner of a country having a different climate and different products, and with boundless wealth in agricultural, mineral, forestal and other resources. Such a country they will find in Canada, which has a larger area than the United States. As one of our greatest statesmen has said, the twentieth century is Canada's century.

Instead of such a roundabout, indirect way of accomplishing the larger confederation, viz., a consolidation of all the British possessions in North America, I would venture to suggest that at the earliest convenient date, each of the British West India Islands should have a direct representation on a Commission to proceed to Ottawa, and there discuss the matter with the Canadian authorities, so that before the war is over they will be able to submit to their people, and put into effect, any understanding they may have reached which would be to their mutual advantage. Newfoundland, too, should be represented on this Commission.

Many consider this not an opportune time for attempting the consolidation of British possessions in North America, preferring to wait until after the war. I think it is well to provide now for what peace will bring. Besides, if we are to handle successfully the financial burden and care for the one million or more men who will be seeking new employment after this war, we must provide for more producers, and secure markets to take care of the increased production. And we should not delay until after the war to make this provision. Now is the opportune time. Now, when our enemies and rivals are making plans for exploiting the economic situation after the war, we should prepare to consolidate the political and commercial interests of our Empire.

"Bucket Shops" Gaming and Grain Brokers

Most Courts in England, Canada and United States Have Decided That Gaming Laws Apply to "Bucket Shops"— Important Decisions on Legality of Grain Transactions.

"BUCKET SHOP" is a common expression, but has no connection with the old oaken one that used to hang in the ancient well. On the contrary a "bucket shop" may be defined as a place for gambling or gaming in the price of stocks or commodities, where the pretended transactions are mere bets on the rise or fall of the market with no intention on the part of either party to sell or accept delivery.

"Gaming" or "gambling" again has been defined by a leading legal authority as "an agreement between two or more parties to risk money on a contest or chance of any kind, where one must be loser and the other gainer."

Gaming, of course, is carried on in countless ways—card or dice games, bets on horse races or elections—equally uncertain according to common report—dealing in futures, etc., etc.

In the present enlightened day in practically all civilized countries and Germany, laws have been passed forbidding "gaming" under certain penalties, and the question then arises—is a "bucket shop" within the meaning of such a law against gaming, and are the parties running it liable to the penalties provided?

Bucket Shop Subject to Gaming Laws.

A leading United States Court says "yes" for the following reasons:—"Assuming, for the purpose of the argument only, that the ticker and blackboard as used do not constitute a gaming table, yet, if the transactions of the 'bucket shop' constitute gaming, one who keeps a place where such transactions are carried on is punishable by the terms of the statute. The scheme is nothing less than the receipt and making of bets on an uncertain event; namely, the probable rise or fall of the market prices of the things pretended to be bought or sold. Betting and wagering of this kind constitutes gaming in the ordinary sense of the word, notwithstanding it may be carried on under the guise of trade contracts. The law looks to the substance, and not the form, in determining the true character of such transactions. The alleged contracts made in the conduct of such transactions have uniformly been denied obligation in civil actions, on the ground that they are not contracts in fact, but wagering and gambling schemes, and therefore illegal and void as against public policy."

Such Contracts Unenforceable at Law.

Laws have also been passed providing not for the criminal punishment of gaming, but declaring that any wagering, gaming or gambling contract shall be void and unenforceable.

Do these laws apply to "bucket shop" transactions?

The Courts of England and Canada, the United States Supreme Court, and the State Courts of Alabama, Colorado, Columbia, Georgia, Illinois, Indiana, Kentucky, Louisiana, Mississippi, New Jersey, Ohio and Wisconsin hold that these statutes invalidate "bucket shop" transactions, and the general result has been to put the "bucket shop" outside the pale of the law—to punish any persons operating them and to relieve the customers from any contracts made in connection with them.

A case decided by the Indiana Supreme Court is a striking example of what has just been said.

In this case a certain company was running a "bucket shop" and applied to the court to compel the Western Union to furnish them with the usual stock and grain quotations; but the Court refused to make such an order. In delivering judgment the Court used the following strong language:—

"The mischief and evil consequences resulting to the state from the operations of the 'bucket shop' are almost beyond computation. It assumes an air of legality and respectability, and insidiously ensnares many innocent victims before the public learn of their danger. Its nefarious practices are directly responsible for innumerable bankruptcies, defalcations, embezzlements, larcenies, forgeries, and suicides. It ought to be outlawed by statute, as its existence is a menace to society, and its operations immoral, contrary to public policy and illegal."

Canadian Legislation on the Subject.

Canada has not fallen behind the procession in dealing with "bucket shops" and by Section 231 of the Criminal Code of Canada, the Dominion Parliament enacted that:—

"Everyone is guilty of an indictable offence and liable to five years' imprisonment, and to a fine of five hundred dollars, who, with the intent to make gain or profit by the rise or fall in price of any stock of any incorporated or unincorporated company or undertaking, either in Canada or elsewhere, or of any goods, wares or merchandise—(a) without the bona fide intention of acquiring any such shares, goods, wares or merchandise, or of selling the same, as the case may be, makes or signs, or authorizes to be made or signed, any contract or agreement, oral or written, purporting to be for the sale or purchase of any shares of stock, goods, wares or merchandise; or, (b) makes or signs, or authorizes to be made or signed, any contract or agreement, oral or written, purporting to be for the sale or purchase of any such shares of stock, goods, wares or merchandise in respect of which no delivery of the thing sold or purchased is made or received, and without the bona fide intention to make or receive such delivery.

"2. It is not an offence under this section if the broker of the purchaser receives delivery, on his behalf, of the articles sold, notwithstanding that such broker retains or pledges the same as security for the advance of the purchase money or any part thereof."

Canadian Decisions on Grain Transactions.

Just how far a law like this goes, and what transactions fall within its scope, is a question which cannot be definitely settled until some case involving the point comes before the Canadian Courts, and the firm of Richardson and Sons, Limited, of Winnipeg, have done more to clear up this matter than all the lawyers' opinion in Canada.

Richardson and Sons, Limited, were grain brokers at Winnipeg and members of the Winnipeg Grain Exchange. They were also members of the Clearing Association, and the connection between the two organizations and the method of carrying on business is explained by the Manitoba Court of Appeal as follows:—

Constitution of Winnipeg Grain Exchange.

"The Winnipeg Grain Exchange is a voluntary association, the objects and methods of which are set forth in its constitution, by-laws, rules and regulations. Amongst these objects it is declared that they are to provide suitable room for a grain exchange; to facilitate the buying and selling of grain, produce and provisions; to provide facilities for the prompt and economic transaction of business, and to adjust and determine controversies between members. The Winnipeg Grain and Produce Exchange Clearing Association is incorporated by letters patent. Any member of the Grain Exchange may become a member of the Clearing Association upon the purchase of five shares, and upon compliance with certain other conditions. The Clearing House Association is thus closely identified with, and really an adjunct of the Grain Exchange. The object of the Clearing Association is to facilitate the transactions of business in providing a method by which all the transactions of the members of the Exchange shall be cleared every day through the Association. Each member must hand in to the manager of the Clearing Association all trades made by him each day, both as buyer and as seller, and upon the manager accepting these transactions, the Association assumes the position of buyer to the seller and seller to the buyer in respect of such transactions, and the last settling price of the day is to be deemed the contract price therefor. All transactions are to be deemed accepted by the manager unless the manager notifies to the contrary by 9 a.m. of the following day. Each member making a transaction for future delivery is to report such transaction by 2 p.m. of the day it is made (except Saturdays), stating its details. Each member is also to report all trades of the day, including all carried forward from the previous day, to the closing market as posted, and hand in a memorandum to the Association not later than 2 p.m. showing the amount due him from, or from him to, the Association, together with a cheque for the amount if a balance be due to the Association. If the balance is the other way he is to receive therefor a cheque from the Association before 2.30 p.m. The manager may call from purchasers below the market and from sellers above the market

such reasonable margins as may be necessary for the protection of the Association, such margins to be placed to the credit of the party paying the same, and to be retained in whole or in part until the trades have been settled. The effect of this is to put the machinery of the clearing house with reference to marginal payments in the place of the former method of the Grain Exchange by which such payments were demanded and made by the parties themselves and deposited in a bank to their joint credit."

Beamish vs. Richardson and Sons.

In January, 1910, one Beamish, a farmer of Elva, Manitoba, decided that there was more money in speculating in wheat than in raising it, and from that time down to June, 1911, he instructed Richardson and Sons to buy and sell for him, certain quantities of grain for future delivery on the Winnipeg Wheat Exchange, by what are known as "option" deals. When the matter was finally closed up and Beamish got his account from Richardson and Sons, he found, as many another speculator has, that a majority of the transactions showed a loss and that he owed the brokers over $1,000.

The brokers brought suit for this amount. Beamish defended on the ground that the transactions were illegal, as being contrary to Section 231 of the Criminal Code quoted above, and the Supreme Court of Manitoba was called upon to decide whether the Code applied to such transactions.

The decision of the Court was that the Code did not apply, that the transactions were not unlawful, and that the customer, therefore, was bound to pay the balance due on the deals.

On appeal the Supreme Court of Canada reversed this decision, and decided in favor of the customer Beamish on the ground that there had been no intention to deliver or receive the commodities dealt in.

"But the most significant fact bearing upon the essential question," said Judge Idington, "of whether or not these transactions were intended to be mere wagering transactions is that we have presented at least twenty-four transactions between the parties hereto in which alleged contracts of selling and buying are apparently involved yet not one of them resulted in the transfer and delivery of a single pound of goods of any kind.

"Surely it is asking too much of us to believe that the sale and form of delivery in all these cases was made with the bona fide intention to make or receive such delivery as the law contemplates and that in such a mass of cases it so signally failed of fruition in a single instance.

No Intention to Make Delivery.

"There is, however, more than that curious and continuous unbroken chain of business dealings between these parties to be considered; for we find that the very first contract, in January, 1910, was one of a sale for delivery in the future of 'May wheat' and long before the time for delivery had arrived, indeed within a few days, another alleged contract is made for the purchase of exactly the same quantity of wheat, ostensibly bought for 'May delivery,' and these parties seem to have set the one off against the other and settled on that basis, allowing a small item of profit as the result to the appellant.

"An examination of other similar transactions and reckoning shows this process was gone through and a settlement arrived at, on the like basis and through the like methods, long before the respective times at which the future delivery ostensibly contemplated by the form of the transaction had arrived. Whether all were recorded in the Clearing House or not does not appear.

"In some ancient temples we are told ceremonies were performed which no one but the initiated were supposed to behold or quite understand and outside that charmed circle the whole performance was treated with that respectful awe which is ever due to mystery.

"In this modern temple probably some consecrated symbolical delivery takes place accompanied with appropriate ceremony. No ruthless hand has dared to lay bare before us exactly what form or symbol was substituted and accepted by the faithful as something they may call, and swear, to be delivery of that grain; in the clouds or four hundred miles away.

"It never, in transactions such as presented herein, moves out of the warehouse or helps to propel the wheels of commerce. But the chips change sides and the bank accounts are expected to do the rest.

Symbolic Delivery Not Sufficient.

"I assume the usual ceremony or form was gone through on twenty-four successive occasions. No one saw, or felt, or ever handled a pound of grain or flax in any single instance!

"This was not, I imagine, all accidental, but a mere using of the forms of the law to promote an illegal purpose present to the minds of those concerned. And the methods used and consequences involved in the use of the machinery provided by the Clearing House and its system facilitated this mode of mere wagering.

"I am not to be understood as alleging that the Clearing House and its system is used solely for that purpose and is not used for an honest and most beneficent purpose.

"But, when asked to find that it was not used for such wagering purpose and could not be so used, I must say that to ask so much seems like trading on one's credulity, in face of the facts presented. As I read the statute it fits these facts.

"It is idle to call a mere symbolical form, never intended to result in anything but a change in the bank ledger containing records of the gains and losses of those concerned, a delivery or evidence of intention to make or receive delivery."

"While I do not rest my judgment on the ground of illegality," said Judge Anglin, "because in the view I take on the other question it becomes unnecessary that I should do so, I incline to think the evidence discloses that neither Richardson and Sons, Limited, nor Beamish, at any time contemplated that delivery of the grain sold should be made or taken under the agreements purporting to be contracts for the sale of such grain which Beamish authorized and Richardson and Sons, Limited, made. The intent always was to meet the obligation to deliver by an offset of a contract to purchase a like quantity of grain—to adjust the differences between the selling and the buying prices, and by thus dealing in such differences to make gain or profit by an anticipated fall in the price of the merchandise. Such transactions are within the literal terms of Section 231 of the Criminal Code, and, I believe, are also within the mischief against which it was directed. The difference in morals between thus dealing in differences and speculative transactions in which there is an actual purchase accompanied by present or future receipt and a subsequent sale accompanied by delivery, the intent being to make profit by the rise in price of the commodity so dealt in, may not be very clear; but Parliament in its wisdom has deemed it proper to make this distinction, with the result that a transaction of the former class is, while one of the latter is not, malum prohibitum."

New Rules Not Effective.

After this decision by the Supreme Court of Canada an effort was made to change the rules of the Winnipeg Grain Exchange, so as to come within the law, and the first case to arise under the new rules is the case of James Richardson and Sons, Limited, vs. Gilbertson, decided by Judge Latchford of Ontario in 1917.

In this case Gilbertson was a bank clerk at Lucknow in the Province of Ontario, and he and other residents of the village began buying and selling "futures" in wheat on the Winnipeg Grain Exchange through Richardson and Sons, Limited, and between February 21st and March 2nd, 1916, the rural speculators "dropped" $1,287. Richardson and Sons, Limited, sued for this amount and Gilbertson set up the same defence which Beamish had relied on in 1911, namely, that the transactions were void under Section 231 of the Criminal Code.

Judge Latchford followed the decision of the Supreme Court of Canada in the Beamish case, held that the brokers could not recover, and referred to the effect of the new rules as follows:—

"Since the decision of the Supreme Court in the Beamish case, and not improbably because of that decision, certain changes were made in the rule of the Clearing House Association. They seem to me merely alterations in the form and not the substance of the transactions."

On December 3rd, Canada made a start in the establishment of a mercantile marine, which will be Canada owned and manned. The first Canada owned ship is the "Canadian Pioneer," which was launched from the yards of Canadian Vickers, Limited, and was christened by Lady Borden in the absence of the premier in England.

The Dominion Shipping Company has been awarded $183,354 damages, including interest, for the loss of the steamer Heathcote as a result of a collision with the ship Kelbergen in the Bay of Fundy in July, 1917, the owners of the Kelbergen, Furness, Withy and Company, being condemned to pay this amount on the finding of W. S. Walker, K.C., deputy registrar of the Admiralty Court, confirmed by Mr. Justice Maclennan.

PEACE AND CANADIAN CITY PLANNING

What City Planning Is, and How Its Value Is Increased by New Conditions

By R. O. Wynne-Roberts.

Our minds for the past four years have been so largely monopolized by the war and its tragic effects upon civilized organizations that the sudden suspension of hostilities and the prospect of the early declaration of peace compel us to organize our resources for the re-establishment of normal conditions in our land. The enemies appealed to the arbitrament of war, with frightful consequences to all belligerents. We in common with others have now to resume the beneficent arts of peace. Movements for the uplift of society and for the betterment of the people continued to take place despite the war. We have seen how certain phases of city planning, for example, have been promoted by governments in a manner, which, in all probability, would not have been often attempted in normal times.

The British and United States Governments after carefully considering the problems facing them came to the decision that it would be unprofitable to erect works and dwellings of a cheap and temporary character. Workers were called upon to labor with the highest degree of efficiency and the authorities came to the conclusion that the most satisfactory course to adopt would be to provide the workers every comfort and means of relaxation that was possible. We have always hitherto put up buildings required in connection with wars of the most temporary character, but opinions have now changed. It is found that efficiency can be begotten only by efficiency, and even in the transitory affairs of a war, the results of money invested in city planning were deemed to be sufficiently good to warrant expenditures on a large scale. New towns have been planned, roads, water works, sewerage and lighting were provided. Permanent houses were erected, institutions for pleasure and healthy relaxation were constructed; in short, villages and towns of the best type were created as a measure for the efficient prosecution of the war. We do not ordinarily associate such a programme with war. Our thoughts intuitively are directed to any and every form of inexpensive buildings and dwellings. City planning, however, had already proved that it was worthy of the best attention of the authorities in the preceding time of peace, that it was not difficult to convince the governments of its economy in the period of war. Rosyth, Gretna and Woolwich are some of the examples, particulars of which have been published by Mr. Thomas Adams in "Conservation of Life."

Effect of Peace on the Movement.

If city planning, then, has such a significant value in the prosecution of war, should it not have an even greater economic value in connection with the pursuits of peace? Business men are concerned with the economics of undertakings and they often are the pioneers in the development of civic enterprises because they see business is associated with the judicious administration of municipal affairs and the levying of taxes. The fact that business men have not taken a more active participation in city planning is, perhaps, due to the idea that Canadian cities are satisfactorily laid out and administered. When they have awakened to the fact that our cities are often in danger of developing slumdum, that economical lines of transportation cannot be obtained except at great cost, because streets are now too narrow, and there are few diagonal or radial thoroughfares from the centres because our towns are laid on the rectangular plan, that the limits are extended beyond economical bounds, then they will recognize the inestimable value of city planning. There are areas which have been subdivided in such a manner that all subdivisions are separate and distinct from their neighbors and inadequate provision has been made for cross country roads and for efficient waterworks, sewerage and transportation facilities. Such an anomaly is not worthy of our generation. There are some areas made by nature to be the sites of beautiful park-like districts of homes, but under the prevailing method of development these are slowly and surely drifting into undesirable spots. In other places, lovely villages have been built round converted mud holes. We can make or mar according to the manner we collectively determine our plans.

What Other Countries Are Planning.

There are many examples of public enterprise for the guidance of those who desire the welfare of the people. The war dislocated all projects which were not directly associated with the production of munitions but peace should give birth to schemes which shall promote the best and most profitable things in community life. The last four years afforded us ample opportunities of thinking out such schemes and unless we have matured them, then the advent of peace will find us unprepared. Other countries have given the subject consideration and are preparing on a spectacular scale, and it is probable that we shall see great developments in city planning in the next few years. The British Government contemplates assisting in the erection of about a quarter of a million homes through the instrumentality of the municipal authorities. With the experience of the past housing schemes will assuredly be handled by them in a different manner to those which were previously undertaken, and town planning will constitute the fundamental basis. It is reasonable to postulate that in connection with these great housing schemes (which in the aggregate may number 500,000 houses) every regard will be paid to location in relation to the factories, transportation facilities, roads, lights, heat, sewers and everything that will contribute to make the undertakings self-supporting, popular and permanent. Parks and playgrounds, theatres and baths, and every means of recreation and amusement will be provided.

What about Canadian schemes? The Federal and Provincial Governments will assist with funds, which will represent a portion of the expenditure required to meet the demand for housing. There was a housing problem before the war was declared. The almost entire suspension of building operations has accentuated the problem, despite the fact that thousands of men left for the front, but the return of the soldiers to civil occupation will cause the situation to be more serious. The point I desire to direct attention to is that there should be a concentrated effort made by a duly appointed authority to investigate the need and how best to meet it. Such an authority would, of course, pay the closest attention to matters directly and indirectly involved in the problem set before them. In other words, they would have a town planning scheme in all its phases to consider and advise upon. This will require time and that element is urgent. Schemes of this nature cannot be evolved without due consideration, investigation or preparation. Then will come the carrying out of the scheme. It is not contemplated that any comprehensive scheme will be carried out at once, but the work will extend over years. And this leads me to the final point, namely, the planning of works and the regulation of their execution.

Aims of Municipal Life.

What is city planning? It is the organized and judicious preparation for the future in all matters that relate to public welfare. It includes the utilitarian and the beautiful, homes and institutions, kitchen gardens and exquisite parks, sewers and transportation, roads, heat, light, power, art galleries, theatres, museums and everything that tends to promote the best things in the life of a community, as well as to create or organize employment and a permanent payroll at fair remuneration to the workers. To keep the cost of living at its reasonable limits will constitute a powerful incentive to contentment. No financier ever had a greater problem to solve and no enterprising municipal administrator ever had greater scope for his abilities. The question is how to furnish all these and other desirable services and at the same time impose a taxation which will not be a burden and a retardent to progress. There is no city in Canada but wants the best, but some have found it a costly business to embark on enterprises which were thought to be good and yet proved to be otherwise.

This is where regulation of the execution of works seems to be desirable. Municipal ambition is excellent provided it is under control. We have had four years to ponder over the future requirements of each municipality, to think out what will best serve the district, and to consider what or which scheme should be carried out first, having regard to the service to be rendered. The writer has often emphasized upon this feature but so far as is publicly known few municipalities have made any comprehensive efforts in this direction. The governments have not called upon the authorities to prepare. No strong leadership has been shown by our statesmen in this matter. The dangerous result may be a haphazard selection of schemes. Four years virtual suspension of municipal work is a serious affair in all countries, but the simultaneous embarkation on schemes, however worthy, may be no less serious. The consideration and preparation of new undertakings, their selection for priority and their timely and orderly execution connotes the best example of civic government. It, however, often occurs that in times of prosperity, civic optimism and commercial expansion a multitude of municipal works are undertaken when labor is scarce and wages are high, but in times of commercial de-

pression when such works would constitute a splendid relief to thousands they are either not available or are inadequate. Moreover, in times of depression works of relief are sometimes authorized without adequate preparation or co-ordination to help men to tide over their difficulties. City planning will tend to improve these matters and to regulate employment. Thousands of men and women have for several months been engaged upon munitions. Peace calls for munitions of a different character, and where city planning has been carefully considered the change will have been provided for. Soldiers who have so nobly served their country in other lands will soon return to serve in their own land. City planning or its absence will reveal our readiness to receive and employ them. It is known that some governments have been active in the preparation of schemes, and some municipalities have announced that they propose carrying out certain works. But my point is that the promiscuous execution of public works may be a disadvantage to the Dominion. As a consulting engineer it may appear somewhat of a heresy to express such opinions. But it is precisely because of my experience that the observations are made, and writing this short article for the Monetary Times impels me to state them, in the hope that the best and essential qualities of city planning may be developed and utilized for the common good of the people. Statistics have not been quoted—although there are abundance of them, for the reason that the observations are common, and are believed to carry their own confirmation. The occasion, however, is singularly appropriate for their expression because Canada has a great problem of reconstruction to consider and her political, civic, religious, social and financial leaders are called upon by the momentous times to do all that is within their power not only to rehabilitate the Dominion in every phase of her national life, but also to promote all movements that will maintain Canada in the glorious position she has been placed by our valiant soldiers in the comity of nations.

CANADIAN NATIONAL EDUCATION

National Congress Proposed to Organize a Bureau for the Co-ordination of Provincial Efforts

BY PROFESSOR W. F. OSBORNE

It is altogether natural that the attention of the public should be directed with new emphasis to the importance of education. The Prussian assault upon the liberties of the world has been powerfully abetted by a false but thorough educational system. The German people has been dragooned into docility, not simply by the bayonets and rifles of its masters, but by the insidious and pervasive influence of an educational system built up as part of a nefarious policy. Germany's rapid commercial and industrial advance was made possible by technical and trade education. Prussian Schrecklichkeit is the joint product of ruthless temper and scientific expertness. The resisting power of Germany, in the face of a resolute allied world, has been enormously enhanced by German education.

It has never before been made so clear that education, unaccompanied by right motives, is a curse. The lesson taught by Germany in fire and blood is unmistakable. We must emulate Germany in efficiency. That England is resolved to do this is shown initially by the new Education Bill, which will probably change the face of England in a generation. But the grand question is, can efficiency—social, commercial, industrial and the rest—be acquired, and at the same time, the great spirit of individual freedom be maintained unimpaired? This is one great aspect of the challenge flung down to the democratic world.

In one way or another, we in Canada for example, shall become efficient. We shall learn the secret of co-operation for material ends. Necessity will compel us in this direction. The threat of freezing, for instance, will teach us by hook or by crook to utilize our own enormous coal supplies. And so on, indefinitely. But what is to be the grand national objective of Canada? If we aim at material and mechanical efficiency alone, we shall simply fall into the German slough. We must supplement the development of the lower sort of efficiency by positing in the breasts of the Canadian people the great altruistic ideal of Service.

Movement Started in Canada.

Something like this is the conception governing a movement that has originated in Winnipeg, looking to the enthroning in Canadian education of a great national ideal of unselfishness. At the suggestion of Mr. W. J. Bulman, a representative committee of Winnipeg citizens was formed some time ago to advocate the holding of a great national conference on Canadian education. How to influence individual and national character through the schools is a subtle and delicate problem. No one man carries the necessary formula in his pocket. In view of that, call into counsel the best-trained brains of the nation, and get them to concentrate their powers on the contribution that the schools of the nation may be brought to make to the evolution of a competent and right-thinking citizenship. Selfishness, individual and corporate, must be pilloried and banned. The schools should be brought to march under the banner of a national ideal of co-operation, mutuality, solidarity and service. Canadian education can remain provincial in administration and yet be animated by a spirit that will be unifying and national. It is proposed to submit to the projected congress a plan for the establishment of an independent, advisory national bureau of education, staffed by men of personality and eminence, whose duty it would be to stimulate the atmosphere and spirit of our schools.

The efforts of the committee have so far been attended with gratifying results. A large amount of representative popular support has been secured in six or seven of the provinces of the Dominion. The desire of the committee is to hold the proposed conference in the spring or autumn of 1919. The press of the country has shown itself markedly cordial to the ideal. The professional schoolmen of the country have shown themselves eager to emphasize the national importance of education.

Great results might easily flow from the consummation of the proposals for a conference and a bureau. The assembling of such a representative gathering would line the nation up behind the provincial systems in a new way. We should witness the spectacle of a young nation blazing out a trail of conscious national competence and ideality. Milton's words come to one's mind: "Methinks I see a young and puissant nation preening its mighty wings." The national consciousness would be quickened without the slightest impairment of the ideal of Canada's continuing to move as an autonomous nation within the orbit of the British system. The unorganized talent of the nation's educational leaders would be discovered. An overture would be made for a new harmony of feeling among our diverse elements. The children of capitalist and laborer, of East and West, of foreign and native-born should be reared in an atmosphere that will powerfully enforce the lesson that the secret of national greatness lies in mutual understanding and co-operation. The status of the teaching profession must be radically altered if Canada is to realize its potentialities. Education must be envisaged afresh as the shaping process of evoking the capacities of all in the interests of all.

Canada must equip herself to make a worthy contribution to the world. Not only should the individual not live to and for himself: the nation must not live to and for itself. A citizenship domestically trained to think and act in terms of altruism will make its influence felt toward the end of ushering in a new world order of law, justice, peace and mutuality.

REACTION AGAINST STATE MANAGEMENT

Mr. W. L. Hichens, chairman of Camell, Laird and Company, lecturing recently on "The Functions of the Government in Relation to Industry," said he thought the government should keep outside the arena of commerce and industry. The government had already more than enough to do without annexing a vast new sphere of activity. State trading tended to create international complications and increased the risk of war. A rate war in the transatlantic trade would be a far more serious matter if carried on by governments than if it were instigated by private firms. By itself entering the arena of trade the state lost the detachment and impartiality which were expected from the ultimate controlling authority.

It was the government's business to stop profiteering and exorbitant wages; to determine in the last resort the hours and conditions of labor; and to hold the scales of justice evenly between labor and capital when differences arose.

THE LION IN THE PATH

Agriculture and the Return of Peace—Principles Developed During the War Should be Applied to Peace Problems

BY J. W. BENGOUGH.

It is safe to say that the present issue of the annual number of *The Monetary Times* appears under national circumstances which have no parallel in the history of this country. We are facing problems vast in dimension and vital in character, which may be considered as falling under two general divisions—personal and fiscal.

The first may be summed up as the question of unemployment.

It is estimated by a reliable authority that we are likely to have at least 700,000 workers looking for jobs now that the war is over. Hundreds of great and small munition factories will have closed down, and the process of re-adapting the machinery to the normal lines of production will mean the release of the great mass of war-workers. The transformation process will necessarily require a considerable time, and when it is completed only a small proportion of the employees can expect to be reinstated in the work-shops. This army of the displaced will, of course, be augmented for the next year or two by constant arrivals of soldiers returning from active service—service so splendid as to entitle them to preference for employment in all the places that are available, insofar as their physical capacity may permit. And there will be the further and pathetic complication of re-educating the blind and maimed for new occupations, and finding opportunities for them to make a living. When we endeavor to visualize the multitude thus gathered in the labor market, and think of the wives and little children they represent, the spectacle is well-nigh appalling. One hears the inevitable cry, "Give us work or bread!"

It is surely an appropriate moment at which to raise the query, why should willing and able-bodied workers, anywhere in the world, ever have to plead for work? It is assuredly not in the natural order that men should need to hunt for jobs in a world which requires so much work to be done. There are the perpetual needs of humanity to be met, diversified and endless; there are the hands and heads able to do the work required; and there is the inexhaustible storehouse of raw material bountifully supplied as a free gift by the Creator. These three propositions have never yet been denied by anybody, so far as I know. But if they are admitted, how comes it that there is or can be a problem of unemployment anywhere, and especially in a richly endowed and sparsely settled country like Canada?

The Task for Canadian Statesmen.

Our practical statesmanship must some time get down to the real consideration of this question, and this would seem to be the psychological moment, on the the eve of the great era to be known in human history as the "New Order."

My answer to this bottom problem is that our unemployed will be crying in the market place for work because they are not now at liberty to act on the natural instinct to go and employ themselves. Is this not the correct answer?

It is certainly clear beyond all controversy that we must somehow make it possible for a sufficient number of them to find self-employment, or as an alternative settle down to a perpetual system of charitable soup-kitchens.

Here is where the personal problem merges into the fiscal—where a vast number of new producers are needed as the only means of meeting the vast new obligations of the Dominion.

At the close of the war Canada's debt will be monstrous—far beyond anything heretofore known in her history, and her yearly revenue requirements will be such as to dwarf all past records into insignificance. After our reorganized and refitted manufacturing industries have absorbed all the workers they can use, and are producing to their full capacity; and after our farms as at present occupied are fully manned and doing their utmost in the matter of output, there will still be a great shortage if we are to make real progress in the paying of our debt and the meeting of our current expenses and necessary yearly outlay successfully. The need for the creation of new wealth synchronizes, as the Finance Minister might well say, with the need for employment. The path of salvation, both for the surplus of workers and for the perplexed guardian of the national exchequer, is the path which leads to the greater development of our resources. The point to be reached is not only abundance in cheap and wholesome necessaries of life for our own population, but a superabundance out of which we may supply the demands of clamorous and needy peoples beyond the seas.

That Canada's resources are immense is one of the commonplaces of our school-boys. There is nothing in our after-the-war situation to frighten us, if we avail ourselves in any reasonable degree of the bounty a kindly Providence has placed at our disposal.

Importance of Agriculture.

But to this end two things are necessary: First, that a sufficient number of our people, returned soldiers and others, should be willing to go on the land; and second, that, being willing, they should be enabled to do so. I am considering at present only the land adapted for agricultural use, leaving out of mind, in the meantime, such resources as lumbering, mining, fishing, etc., and I am not contemplating the land, however good, in the remote and primitive sections of the country. The chances of inducing any considerable proportion of the unemployed army to undertake farming in the wilderness, devoid of social amenities and far from markets, are very slight. Nor is there any need for attempting such a hopeless scheme. There is a good deal to be said for the suggestion which is now being discussed of the formation of communities in the North-West, but even these need not be far back from the railways and established towns and villages. But why not make the land available in the old provinces as well as in the new, in the midst of communities that are enjoying the blessings of civilized life? It will be time enough to colonize the back spaces when the pressure of population calls for it. Why not in the meantime throw open the millions of acres that are now lying idle in the "front" districts of all the provinces? That is to say, why not enable those who are willing to employ themselves at farming under livable circumstances to do so?

They must be "enabled."

While the problem of developing our resources is national, the resources themselves do not belong to the nation—those of them that are really of any immediate use. This great expanse of farming land I am referring to, though it is not being used, is the private property of individuals and companies.

Appropriation of Idle Lands.

Would-be settlers must be enabled to go upon it by due process of law. The war measure that required a man either to work or fight must now be applied to the owners of idle acres; they must be compelled to put those lands to use or give them up to those who will. The dog in the manger must be ejected. As conscription of man power was enforced in war, so conscription of land for production must be enforced in peace. The necessity is just as imperative.*

In short, the time has come when statesmanship must face the lion which stands in the way of true democracy—landlordism, land-monopoly. The right to the use of the earth must be vindicated by the governments of all countries professing to be free.

The instrumentality through which this can best be accomplished is that of taxation—the means by which the public revenue is now secured. The time has come for us to decide upon an entirely new method of raising revenue, a natural, just and economical method, instead of the one now in vogue, which has none of these qualities, and is moreover essentially at variance with the moral law.

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*New South Wales has set out upon a new line. The settler will not be required to assume a debt representing the value of the land, and to be paid in long-time payments at low interest, but is to be given a perpetual lease, and is to pay a rental of 2.5 per cent. of the capital value. By this plan the settler is saved the capital investment, and the future increment of land values created by the community is reserved to the community. If lands are reclaimed for returning soldiers, the plan should be such as to prevent the holding of tillable land out of use. By taxation or otherwise, there should be a definite step toward the abolition of speculation in land.—San Francisco "Star," November, 1918.

The burden Canada must carrry in the future is to be greatly increased in weight, but there are few even amongst our public men who have any conception of what our present load of taxation is, for many of the items entering into it do not appear in official returns.*

*A statement, recently published by Mr. W. A. Douglass, B.A., a careful student of economic questions, gives the following summary, which he affirms errs, if at all, on the side of moderation:—

Figures for the Last Year Before the War, March 31, 1914.

Dominion expenditure, less provincial subsidies, about		$ 175,000,000
Provincial expenditure		55,000,000
Municipal expenditure (estimated)		80,000,000
		$ 310,000,000
Collateral Burdens:		
Increase on home manufactures caused by tariff, 20% on $1,500,000,000	$300,000,000	
Merchants' addition, wholesale 20%, retail 30%	150,000,000	
Merchants' addition to tariff, 50% on $100,000,000	50,000,000	
Land rent, 4% on $8,000,000,000	320,000,000	
		820,000,000
Brought down		310,000,000
Total burden		$1,130,000,000

The immediate requirement of the after-the-war situation, to relieve the congested labor market and inaugurate the era of greater production, is a Federal land-tax heavy enough to make it unprofitable for anyone to hold land he is not using, and thus to release it for the use of those who need it and are willing to pay the tax upon it. This measure should be accompanied by the gradual exemption of improvements from taxation, the ultimate ideal in view being a system under which the whole revenue of the country would consist of the annual rental value of the land (a term which would include all natural resources and the value of all public-service franchises remaining in private possession) and labor products would be entirely free of taxation.

I am aware that the thought of doing anything to disturb the "sacred institution" of land monopoly is full of horror to all practical politicians, and even to those who aspire to the title of statesmen. It is quite likely that they will, therefore, continue to banish it from their minds. But, nevertheless, the alternative remains—either justice or the ruin of civilization.

The land question is the labor question, and the labor question is at the base of all human life. The problem of the land is not exclusively or even primarily a problem of farming. Land-value is chiefly population-value, and is therefore characteristically a phenomenon of towns and cities. Its summits are in the great centres. The disappearance of land monopoly would solve the labor problem in all its ramifications, and give the world, for the first time, a glimpse of the possibilities of democracy and freedom. It would bring about conditions that would be consistent with the belief—now scarcely tenable—that this world is ruled by a beneficient Father who loves and cares for all His children.

COMPARATIVE TABLE OF FINANCIAL VALUES

A long list of Indices to the Economic Situation during the past Four Years.

(Quotations as at September each year).

	1918	1917	1916	1915	1914
†Average price 20 industrial stocks	84.50	84.82	98.51	102.16	Closed
†Average price 20 railroad stocks	81.33	86.71	108.76	95.33	Closed
†Average price 40 bonds	76.22	80.60	87.01	82.72	Closed
Bradstreet's index number	* 19.0485	16.6441	11.7803	9.8213	8.7087
Money supply of U. S.	* $5,559,396,561	$5,505,761,456	$4,580,411,501	$4,061,659,127	$3,819,916,263
Gold supply of U. S.	* 3,080,767,000	3,060,991,378	2,548,241,473	2,056,732,138	1,844,602,682
Gold holdings Fed. Res. banks	2,077,732,000	1,364,783,000	550,709,000	302,242,000	.....
Rediscounts for member banks	1,852,997,000	168,217,000	27,527,000	31,373,000	.....
Fed. Reserve notes in circulation	2,245,429,000	644,567,000	179,409,000	16,562,000	.....
N. Y. bank surplus reserve	24,954,220	82,754,520	114,134,130	220,373,000	‡22,761,000
Gold imports, year to date	* 55,000,000	510,000,000	353,216,000	265,839,000	29,941,000
Gold exports, year to date	* 30,000,000	275,000,000	86,000,000	12,936,000	157,656,000
Country's iron production, tons	* 3,389,585	3,247,947	3,203,713	2,779,647	1,995,261
Unfilled orders, U. S. Steel	* 8,759,042	10,407,049	9,660,357	4,908,455	4,213,331
Call money, New York	§ 6	.6	3	2	8
Sixty-day loans, New York	6	5½ @ 6	3	2½	6 @ 8
Mercantile paper, New York	6	6	3½ @ 4	3½	6 @ 8
Time loans, Chicago	6	5½ @ 6	4¼	4	7
Time loans, Boston	6	5½ @ 5¾	3¾	3	6
Discount rate, London	3.17-32	3¾	5½	4⅝	3
Discount rate, Paris	5	5	4	5	4
Sight sterling, New York	4.75 7-16	7.75½	4.75¾	4.68	4.92¾
Exchange on Paris	5.47¾	5.78⅝	5.86⅛	5.82	Nominal
Exchange on Petrograd	14.00	17.50	31.90	34.50	35.75
Exchange on Denmark	33.40	30.70	28.60	27.85	25.95
United States 4s, 1925	106½	105½	109½	109	109½
New York City 4s, 1957	90½	93¾	101	95	99⅝
British consols	58¾	55½	60	65	69½
French rentes	64.10	62.30	64.00	67.25	74.00
Bar silver, London, per ounce	49½d.	55d.	32½d.	23½d.	23 9-16d.
Wheat, per bushel	$2.39½	$2.28	$1.59½	$1.28	$1.23
Cotton, cents per pound	35.00	21.80	15.60	10.80	11.00
Copper, cents per pound	26.00	27.50	28.12½	18.00	12.50
Lead, cents per pound	08.05	08.75	7.10	4.50	3.87½
Steel, per ton	$47.50	$65.00	$45.00	$26.00	$21.00
Tin, per ton	77.00	61.50	38.50	33.37½	30.95

†New York Stock Exchange prices. *Figures as of September 1. §Highest rate for each week. ‡Deficit.

"New York Evening Post" compilation.

AGRICULTURAL ORGANIZATIONS IN THE WEST

United Grain Growers—Grain Growers' Grain Company—Alberta Farmers' Co-Operative Elevator Company

The farmers' organizations of Western Canada have given so many evidences of substantial growth during the past dozen years that our grain growers look for something big periodically. Nothing that has happened, however, means more to the farmers' movement, more to the prairie provinces and more to the individual farmers in those provinces than does the amalgamation of the Grain Growers' Grain Company, Limited, and the Alberta Farmers' Co-Operative Elevator Company, Ltd.

On September 1, 1917, these two strong young companies ceased to exist in name—they united their energies under a new name, United Grain Growers, Limited.

This amalgamation is the first forward step developing out of discussions and conferences held by farmer leaders of Manitoba, Saskatchewan and Alberta with a view to consolidating the efforts of the farmers' companies for the general benefit of farmers throughout the west. Shareholders of the Grain Growers' Grain Company, Limited, and of the Alberta Farmers' Co-Operative Elevator Company, Limited, endorsed with unanimity the plan for amalgamation that brought into being the new concern.

The Grain Growers' Grain Company, Limited.

For just eleven years farmers of Manitoba, Saskatchewan and Alberta have followed with keen interest the operations and growth of the pioneer farmers' company—the Grain Growers' Grain Company, Limited. It was organized by the farmers themselves in 1906, after they had decided that the only way they could hope for a fair return on their grain was to control the marketing of it. A few hundred of the more enthusiastic risked a few dollars each to obtain a charter, buy a seat on the Winnipeg Grain Exchange, equip a small office, and go into the grain business to prove that on one cent a bushel commission they could give shippers more satisfying returns than they had received.

Lack of experience and an unexpectedly rapid growth of business made it impossible always to give the service that was desirable, but those who have given the company a fair trial realize that every item was put through with honest intentions to give the farmer the last fraction of a cent and courteous treatment in the handling of every shipment. The company has led the way in regard to personal checking of samples taken from cars consigned to them; in assisting to collect on claims for loss or damage to cars in transit; in sending out returns promptly and in many other details that mean improved service to the farmer. With the object of providing local storage and handling facilities under the control of this farmers' company, the Manitoba government system of country elevators was leased in 1912 and the building of a few new and up-to-date houses was undertaken by the company.

Having made good in the grain business, farmers of the west as a class then demanded that their company should endeavor to reduce the cost of machinery and supplies. The result has been that contracts were made with manufacturers, and implements and other farm needs were supplied at prices as close as possible to first cost.

Early in 1916, the handling of livestock on commission also was undertaken at the solicitation of farmers from the stock-growing districts. An office was opened in the Union Stock Yards, Winnipeg, and connections established with markets south and east.

The interest of the company in the welfare of the farmers' associations is shown by the generous and practical assistance it has rendered from time to time. One instance, illustrating the point, happened in 1908, when the late Fred. W. Green, then secretary of the Saskatchewan Grain Growers' Association, approached the company with a statement of financial handicaps that were retarding the development of the association. The directors, after due consideration, gave him a cheque for $1,500 to assist in the work of that association. Mr. Green afterwards agreed that this practical assistance so cheerfully given by the Grain Growers' Grain Company was responsible largely for keeping the association in a position to carry on its good work. Similar grants have been given regularly, not only to the Saskatchewan Grain Growers' Association, but also to the Manitoba Grain Growers' Association, and to the United Farmers of Alberta, making a total of over $30,000 in grants for such educational work as is carried on by these associations.

Large sums have been contributed in order to make possible the publication of the Grain Growers' Guide, a farmer's magazine that is free to uphold the cause of the farmers and not be tied or throttled by the big interests who dislike to see the cause of the farmer championed in clear-ringing sentences. After an uphill fight, since 1908, the Guide now ranks first among the farm papers of western Canada, both in circulation and advertising patronage.

Alberta Farmers' Co-Operative Elevator Co., Ltd.

The demand of the farmers in Alberta for more liberal elevator accommodation under the control of the farmers themselves brought into existence in 1913, the Alberta Farmers' Co-Operative Elevator Company, Limited. The provincial government assisted in furnishing finances to construct elevators at points where farmers of the district subscribed for shares and thereby guaranteed their support in a practical way. The system has grown year by year, both in number of elevators and in volume of business. Arrangements were made also to handle livestock shipments, and offices were opened at Calgary and Edmonton stock yards. Implements, lumber and general commodities, also have been supplied to farmers of the province by this company.

Since this farmers' company was organized in Alberta it has at all times worked in harmony with the Grain Growers' Grain Company, Limited. Grain passing through their elevators was turned over to the selling force of the Grain Growers' Grain Company in the Winnipeg Grain Exchange. Implements and supplies likewise were purchased in conjunction with the same company. In short, the two farmer companies practised co-operation in doing business for the farmers.

It is the union of these two institutions: the Grain Growers' Grain Company, Limited, and the Alberta Farmers' Co-Operative Elevator Company, Limited, that brought into reality the new company, United Grain Growers, Limited.

It is new in name, greater in size, more able to bring to pass the benefits that always have been the aim of the two companies. But it is not new in the strict sense of the word. The good work will go on under the new organization; there will be no hesitation because of a fear of treading on each other's toes—these two farmer companies will not continue to compete one against the other; more bushels of grain will be disposed of to better advantage; larger contracts for implements and supplies will be placed with manufacturers at more favorable prices.

In short, just as three good horses are more effective at heavy work than a team and a single horse, so are the twenty-odd thousand shareholders of the Grain Growers' Grain Company, Limited, and the fifteen thousand and more shareholders of the Alberta Farmers' Co-Operative Elevator Company, Limited, more capable of doing justice to the farmers of western Canada in looking after their business in buying and selling—a really heavy job.

The problem of marketing the products and supplying the needs of farmers are identical throughout Manitoba, Saskatchewan and Alberta. The union of the two old companies with shareholders running well over 35,000, with subscribed capital around $3,000,000, with over 300 country elevators, with terminal elevators at the Lake Front capable of holding over 3,000,000 bushels of grain, with machinery and supply warehouses in Calgary, Regina, Saskatoon and Winnipeg, and with an efficient organization under the supervision of a board of farmer directors having full knowledge of the farmers' needs and in full sympathy with the farmer, furnished an avenue through which farmers can sell their grain and livestock, or buy their machinery or supplies, feeling safe that they will get prompt service and real values.

These in brief are the hope and the aim of United Grain Growers, Limited.

Board of Directors.

The destinies of the new company have been entrusted to the guidance of the following board of directors: Hon. T. A. Crerar, Russell, Man., president; C. Rice-Jones, Veteran, Alta., first vice-president; J. Kennedy, Deepdale, Man., second vice-president; J. F. Reid, Orcadia, Sask.; R. A. Parker, Winnifred, Alta.; F. J. Collyer, Welwyn, Sask.; John Morrison, Yellowgrass, Sask.; R. McKenzie, Winnipeg, Man.; J. J. McLellan, Purple Springs, Alta.; C. F. Brown, Richdale, Alta.; H. C. Wingate, Cayley, Alta.; and P. S. Austin, Ranfurly, Alta. E. J. Fream, Calgary, was appointed secretary.

Offices.

The company's offices in Winnipeg cover five floors—over 27,000 square feet of floor space—in the Bank of Hamilton Chambers, corner McDermont Avenue and Main Street. In Calgary, the offices cover over a floor and a half (over 17,000 square feet of floor space) of the Lougheed Building, corner First St. West and Sixth Avenue. Regina offices are at 1824 Dewdney Avenue. Saskatoon offices and warehouses, 132 Avenue A, has 29,000 square feet of floor space with a loading platform 20 feet by 150 feet, giving the company ample room to show their stocks and give quick, prompt shipping service. The company also maintains an agency at New Westminster, B.C. The livestock department has offices in the Winnipeg, Calgary and Edmonton stock yards. At Winnipeg, a four-story brick warehouse was built at 145 Market St. East, in 1916. Another distributing warehouse on 12 acres of land has been built in Elmwood on the north-eastern outskirts of Winnipeg, which has a storage capacity of 160 cars, also exceptional shipping facilities. In Calgary, the company has two warehouses on Eighth Avenue, and a new one is being built. The large warehouse in Regina is located on Dewdney Avenue. These warehouses give good distributing service to the three provinces. Other warehouses will be built as the company finds them necessary.

Over 850 employees are needed to carry on the company's business. Two hundred and fifty of them are in Winnipeg; 180 in the Calgary offices and warehouses; 16 in Regina; 90 in Fort William; and 11 in Saskatoon. Country elevator agents number about 300 with additional assistants when necessary.

Grain Commission Department.

The organization in this, as in the other departments, is in good shape to handle the farmers' shipments in a business-like way. Quick acknowledgments and returns and careful checking are considered of prime importance in handling shipments. Each shipper receives a clear statement of the sale of his car, and all information as to government weigh and inspections are sent him without delay. This department issues a daily market letter, so as to keep shippers advised as to market conditions. An important factor in giving prompt service is a leased wire for private communications between Winnipeg and Calgary offices. This is a great advantage to the farmers of Alberta in keeping them advised as to grain prices and in attending to business connected with grain, livestock, etc. The company also has an interest in the Grain Growers' Export Company, which assists in maintaining a ready sale of our grain on the world's markets.

Country Elevators.

The new company owns or controls about 300 elevators in the three provinces, and several more are being built. The average capacity of these elevators is about 30,000 bushels, giving a total storage for farmers' grain of close to 10,000,000 bushels. Each elevator is divided into 20 bins, 17 of which cans be used for special binning, under almost all conditions. Cleaning apparatus of the best make is installed and farmers can have their wheat, oats and barley cleaned for an extra half cent a bushel. Through these elevators the farmer has a first-class outlet for his crops. Grain is received by the wagonload and bought on track at every point. Also it is possible for the farmer to place his orders for machinery, implements and supplies, or arrange his livestock shipping with the elevator agents. All agents at these elevators are in direct connection with the main office by telephone and telegraph, so they can get latest livestock and grain prices at all times.

In 1912, the company leased one of the Canadian Pacific Railway terminal elevators at Fort William with a capacity of 2,500,000 bushels. At Port Arthur, the company has a new terminal with a storage capacity of 600,000 bushels, has modern equipment for cleaning and drying, and can handle 125 cars a day. It has Canadian Pacific Railway and Canadian Northern Railway connections and is thoroughly equipped for handling a terminal elevator business.

Implements.

The company handles—and sells for cash—farm implements and machinery of all kinds, such as plows, harrows, packers, drills, cultivators, manure spreaders, corn and potato machinery, hay rakes, mowers, gasoline and kerosene engines, grain grinders, feed cutters, cream separators, stock fountains, pumps and stable equipment; also a full line of sleighs, wagons, buggies and harness.

In every case contracts for these commodities have been made only with those manufacturers who turn out goods which are adaptable to conditions in western Canada. The purchasing power of the company is used in full force here, so that these farm needs may be bought as cheaply as their high quality will permit.

General Supplies.

Such farm necessities as binder twine, wire fencing, belting, oils, grain scoops, grain bags, washing machines, sewing machines and incubators are supplied to the farmers of the west. Fence posts, coal, flour and apples also are sold in carlots at very close figures.

The lumber department is in a position to supply highest grade lumber by the carload, and in fact everything for a building, including cement, wallboard, plaster board, builders' hardware, paints and brushes, storm and screen doors, inside and outside doors, sash and ornamental windows, and fine moulding. The timber limits owned by the company in British Columbia are now being developed, and in a short time lumber will be shipped direct from our own mills.

Livestock.

In March, 1916, the livestock department was opened at Winnipeg, and during the first year over 1,000 cars were handled at the Winnipeg yards. The new company has offices at the Calgary and Edmonton stock yards, as well as at Winnipeg, and livestock shippers will be able to sell their cattle, sheep and hogs through this department with the assurance that they will get the best the market affords. The department has direct connections south and east, giving the farmers the advantage of large markets. We have also been of valuable assistance in supplying farmers with stockers and feeders.

Accounting Department.

The departments in Winnipeg and Calgary which handle all the details of this vast business are equipped with competent workers under capable supervision. Every department is provided with the most modern labor-saving equipment. The organization that has been worked up in these offices makes it possible for the company to handle all work promptly and accurately.

On September 1, 1917, the net worth of the company, belonging to the shareholders, amounted to $3,484,656.21. The total dividends declared by the two companies (Alberta Farmers' Co-Operative Elevator Company and the Grain Growers' Grain Company) since their foundation, are $738,098.83.

Recently the directors decided to offer for sale debenture bonds bearing guaranteed interest at the rate of 6 per cent., payable half-yearly. Those who have surplus cash to invest should write for particulars.

Land and Appraisal Departments.

Early in 1918 was formed also a subsidiary company known as United Grain Growers Securities Company, Limited, owned and controlled by United Grain Growers, Limited. This department will do a straight commission business only, and will have offices in Winnipeg, Regina and Calgary. Farm lands will be listed for the benefit of those desiring to buy or sell. Valuations and detail reports will be made through carefully selected local representatives throughout the three provinces. The aim of the company is to give the buyer and the seller a reliable service made possible through our complete organization.

Organization Department.

To properly look after over 35,000 farmer shareholders and more than 40,000 who have shipped us grain or had correspondence regarding machinery or supplies, it is necessary to maintain a separate department. The shareholders' accounts are kept in order by this department, which also looks after the mailing of notices, letters, catalogues and booklets. The name of every shareholder along with his holding of stock is recorded in this department, and adjustments, transfers, etc., are taken care of.

Farmers and their wives, sons or daughters, or those who derive their main sustenance from the land, are eligible to hold shares in the company. While the par value of the stock is $25 a share, the selling price is $30 a share and no person can hold more than 100 shares. Dividends are computed quarterly and paid annually on the par value of the paid-up capital.

Under the new charter the delegate system of representation at annual or special meetings as followed by the Al-

berta Farmers' Co-Operative Elevator Company, Limited, will replace the general attendance and vote-by-proxy system of the Grain Growers' Grain Company, Limited. Local units have been organized and each local selects its delegate or delegates. This plan assures the same attendance from points far removed from the place of meeting as from points close at hand. There are 99 locals in Manitoba, 85 in Saskatchewan, 145 in Alberta and 6 in British Columbia, each with a local board of five to serve as a connecting link between the shareholders of the district and the business offices.

TAX SALE CERTIFICATES AS INVESTMENTS

Tax Sale and the Purchase of Tax Certificates as an Investment—Cases of Productive and Unproductive Property

By C. V. Smith.

The Arrears of Taxes Act, being chapter 21 of the Saskatchewan statutes for 1915, has solved to a large extent the problem of municipal finance and the collection of arrears of taxes has ceased to be a problem. This act is based on the principles of the Manitoba Act, which has been in operation in that province for a number of years with satisfactory results. A well-informed municipal secretary compares its advantages over the old Forfeiture Act with the advantages of the Torrens Land Titles system over the old title system, and expresses the opinion that a uniform Arrears of Taxes Act should be embodied in the statutes of each province.

The act, in brief, provides that in the case of all land upon which the whole or any portion of the taxes remains unpaid after six months from the 31st of December in each year, such land shall be liable to be sold for arrears of taxes and costs of advertising. The treasurer of each municipality is authorized to prepare a list of the lands to be sold and conduct a public sale not later than the 15th of November in each year. The treasurer then provides the purchaser with a tax sale certificate for each piece or parcel of land purchased and a registration of the sale is made against the property on the books of the Land Titles Office.

The owner of any land so sold, or any persons, corporations or municipality interested in the land, may on behalf of the owner, at any time within two years from the date of the sale, redeem such land by paying or tendering to the treasurer of the municipality the amount of arrears of taxes and costs of advertising, together with, as a penalty, a sum amounting to ten per cent. of the amount paid, if redeemed at any time within one year from date of sale. If not redeemed within one year, then a further penalty of ten per cent. is added, together with a fee of 25 cents for a tax redemption certificate.

The purchaser of a tax sale certificate is permitted to pay subsequent taxes upon property so purchased, after the 21st day of December in each year and the party redeeming is obliged to pay to the treasurer the amount of such subsequent taxes, together with a penalty of ten per cent. thereon.

If the land sold for taxes be not redeemed within two years from the date of sale, the treasurer of the municipality shall then forward to the Registrar of the Land Titles Office a list of the property unredeemed, the purchasers of the certificates and the amount required to be paid. The tax purchaser is then entitled to make application to the Registrar to bring the land under the Land Titles Act or for transmission under the said act as the case may be. If the purchaser of the tax sale certificate fails to make application for title within one year after acquiring the right to do so, all claim shall be forfeited together with the amount paid thereon.

The Registrar will issue a new certificate of title to the applicant after the expiration of six months from the date of service of notices required by the act if not so redeemed and such certificate will be free of all encumbrances. If the property be not sold at the tax sale, the municipality may bid it in for the amount owing and has the same rights and privileges enjoyed by other purchasers.

Use as Investments.

A number of leading companies and private individuals look upon the purchase of tax sale certificates as a safe and profitable investment. In many cases redemption takes place soon after the sale and the money is returned to the investor with the accumulation of one year's interest at ten per cent. This money can be reinvested if so desired by purchasing tax sale certificates assigned from the municipality. Nearly all municipalities hold certificates and provision is made for assignment under the act. If the money is urgently required by the municipality, the certificate can be assigned at its face value and the ten per cent. penalty will accrue to the benefit of the purchaser. If discretion is used in the purchase of tax sale certificates, money can be kept constantly employed and the returns will be very profitable.

The Saskatchewan Act opened up a large field for investment in this class of security and Manitoba investors were among the first to take advantage of it. At the present time considerable money is available from the United States and the western farmers.

Tax sale certificates from the investor's viewpoint can be divided into four classes, viz.: improved farms, modern city property, unimproved wild land in good districts and all other properties. The first named is usually redeemed at an early date, the second is redeemed before the period of expiration is past, the third is sometimes transmitted to the tax sale purchaser or redeemed at the latest date, and the fourth, which includes property in villages, towns, city subdivisions and waste farm land, is seldom, if ever, sold to outside purchasers and the certificates are usually purchased by the treasurer of the municipality. In due course this property will undoubtedly be transmitted to the municipality and become non-assessable and the question naturally arises, where will the additional revenue be derived in order to meet the interest on the bonded indebtedness.

Assessments and the Tax Rate.

Here the subdivision menace is again becoming a problem to the civic officials. Bonds have been issued in many cases on the security of a maximum assessment and the interest must be met. Property holders are compelled to pay a higher tax rate yearly as the assessments continue to decrease, owing to many titles to property becoming vested in the cities. This condition of affairs is not confined to Saskatchewan, but is common throughout Western Canada. It has been considered heretofore that when once the title to property becomes vested in the city or municipality it becomes non-assessable. Some opposition has been given to this and the Attorney-General of Saskatchewan has been appealed to for a decision. Some suggestions have been made that the municipality should sue for arrears of taxes where the owner is responsible and able to pay though it is not probable that such a drastic method will be resorted to.

Commissioner Thornton of Regina city is authority for the statement "that the unproductive land was at present being heavily assessed and taxed as high as it would stand. The city had reached the stage where owners of these lands could not pay the taxes and the municipality had to get the money somewhere to carry on. The result was that the productive property had to be taxed. The city to-day (Regina) owned millions of dollars of land on the north side from which they received no revenue. As soon as the vacant lands were able to bear more taxes, they should be taxed. If it were possible at the present time to get the necessary money from the vacant lands, then by all means the city should take that course."

The solution therefore appears to be in population and improvements in order that the property may be sold again and in addition to the revenue derived from such sales it will again become assessable and revenue producing.

The Saskatchewan Local Government Board has given splendid service in regulating and controlling municipal finance during the past few years, but in many cases they have been obliged to combat evils that existed prior to their organization.

Until some solution of the subdivision and the vacant unproductive land problem has been attained, tax sale certificates as an investment will be confined to improved productive property.

A bid of $25,000 was made on the 10th December for a seat on the Montreal Stock Exchange. Just after the war commenced in 1914, a seat was sold at $13,000. Since that date values have risen and the last transaction, over a year ago, was at $26,000. A high record is $30.000.

Three aeroplanes which Mr. James Carruthers, of Montreal, donated some time ago to the Canadian aviation training camps, where they did excellent service and were instrumental in qualifying many Canadian fighting airmen, have now been offered by Mr. Carruthers to technical schools at Montreal, Winnipeg and Edmonton, where they may be of value in technical education, or may be kept as souvenirs if not otherwise utilized.

Recording Price Movements in Canada

General Course of Prices can be Recorded with Accuracy—Method Used by Canadian Department of Labor is Simple and Satisfactory—Wholesale and Retail Prices Distinguished—Course of Prices in Canada and Abroad

THE rise of prices which has taken place since 1897 has been so continuous and so general that it cannot be attributed to any temporary or local cause. The movement has attracted attention in Canada as well as elsewhere, particularly during the years 1904 to 1907, and 1915 up to the present time, when the upward trend has been unusually steep. The general course of prices has been so apparent as not to require any special statistics to determine their direction. This is not the first time, however, that price movements have attracted attention. For over one hundred years science has attempted to ascertain their causes. The value of information of this kind is obvious, as there is scarcely a labor dispute, or a price increase, at the present time, in which the phenomenon of increased costs is not introduced as a weighty consideration. The principle difficulty arises when an attempt is made to estimate the extent of the movement, and the lack of a measure of price change as a whole leads to differences of opinion and difficulties of settlement.

Apart from questions of labor and price fixation, the study of prices has a value as one phase of economic events, and as a part of the monetary problem as a whole. Just here, however, an important distinction must be introduced, namely, that between wholesale and retail prices. What interests labor is retail price, because that is what enters into the cost of living The workman in Vancouver is not concerned with the price of wheat at Fort William, nor of leather at Montreal, but with the cost of bread, and of shoes, in Vancouver. It is wholesale price, on the other hand, which reflects general industrial conditions. The cost of manufacturing bread varies from city to city throughout Canada, due to differences in local conditions, such as wages, etc. For almost every commodity, however, there is one, or very few, central wholesale markets, at which its wholesale price is determined. Wheat quotations are for wheat at Fort William, and the price at any other centre in Canada may be determined by adding or deducting freight charges; the cost of canned salmon, wholesale, is fixed in British Columbia. But the retail price of bread or of salmon in any city or town is determined not only by the cost of transportation but also the cost of manufacture, or of retail selling, in that particular centre. There are, moreover, many commodities for which the market is not merely national, but world-wide, such as wheat, leather, and coffee, and for which price movements in all countries will be similar. For statistics of industrial conditions, therefore, what is wanted is wholesale prices, because these are general and more easily determined. To assist in adjusting local wage conditions, reference must be made to retail prices.

Work of Canadian Department of Labor.

The Labor Department of the Dominion Government gave up to 1909 a monthly review of price movements in the "Labor Gazette." These reviews filled the twofold function of describing the current tendency in the cost of living, and of reflecting industrial and trade conditions. In that year, however, it was decided to differentiate between retail and wholesale prices. Henceforth reports of retail prices were to be obtained from forty-eight important industrial centres throughout the Dominion. This was merely an enlargement of the work already carried out with a view to ascertaining local variations in the cost of living. An investigation was also made into wholesale prices for the twenty years 1890 to 1909, and since that time these have been reported separately. The one class of statistics is of peculiar interest to the Labor Department; the other is a partial description of economic conditions. Accordingly it was recently decided to assign the wholesale price records to the Dominion Bureau of Statistics, while the work of collecting retail prices remains with the Labor Department.

Measuring Price Movements.

If we wish to compare the price of wheat in 1908 with the price in 1909, all we need be careful of is that both quotations are accurate, that the quality of the wheat in each case is the same, and that both quotations are from the same market. Thus, using the wholesale prices collected by the Labor Department we find that the average monthly price per bushel of number 2 Ontario white wheat at Toronto was 90.43 cents in 1908, and 108.10 cents in 1909. We immediately know the increase which took place during that year, and if we wish to express it in the form of a percentage we find that the price in 1909 was 119.54 per cent. of the 1908 price. Similarly we find that during the same years the prices per case (48 pounds) of a particular brand of canned salmon at Victoria were $6.40 and $6, respectively, and that the price in 1909 was only 93.75 per cent. of the price in 1908. Suppose, however, that we wish to compare the joint change in price of these two products. We might use weight as the basis of comparison, and compare the change in price of a bushel of wheat with that of an equal weight, i.e., sixty pounds of salmon. In this way we would find that sixty pounds of wheat increased in price by 17.67 cents, while sixty pounds of salmon declined in price by 50 cents, and that the joint result is a decline of 32.33 cents per unit of 120 pounds. Obviously this method is fallacious; in reality wheat advanced in price much more than salmon declined; but the greater value of the salmon in proportion to its weight makes the joint result show a net decline. Moreover, it could not be applied to combining price changes of commodities which are measured by different units. We could not compare the price of wheat per bushel with the price of cotton per yard, or the price of shoes per pair, because we cannot reduce yards nor numbers to terms of weight. In order to combine a number of prices they must be reduced to a common denominator, and the most convenient denominator is abstract number. In finding the percentage of the change in the price of wheat and of salmon above we represented the price in 1908 as 100, and multiplied the price in 1909 by the same respective fractions, getting 119.54 and 93.75 respectively. The new joint price found by adding these together is 106.645, indicating an increase of over 6½ per cent. as compared with 1908. A term of this kind, which while it is a mere number itself, representing for statistical purposes prices and price changes, is known as an index number. It is an average of percentages and may be applied to any number of commodities, regardless of the units by which they are severally measured; and it has this advantage over a combination of prices of commodities, which happen to be measured in terms of a common unit, on the basis of that unit.. that it prevents a change in the price of one to be over-balanced by a proportional change in the price of another which has a greater value in proportion to its measurement. This method gives an equal value to changes in the case of all commodities, because they are all taken as multiples of the same number, one hundred.

System of Weighted Index Numbers.

The last-mentioned fact, however, occasions a criticism of the method which demands the utmost consideration. For the purpose of a general index of price movements, one commodity can be considered as of equal importance with another; but for the purpose of calculating the cost of living, all commodities are not of equal importance. The average citizen of Canada is unquestionably affected to a greater extent by an increase of 10 per cent. in the cost of wheat, than by an increase of 10 per cent. in the cost of salmon; and neither of these would be compensated by a cut of 50 per cent. in the price of pepper. It would seem, therefore, that while the above system may be satisfactory to record economic movements, in determining the cost of living consideration must be given to the relative importance of different commodities in the personal budget. For instance, if we use ten times as much wheat as salmon, a change in its price affects us ten times as much as an equal change in the price of salmon, and therefore ten times as much importance should be attached to it in constructing an index number. An index number built up in this way is known as a weighted index number, and many of this kind are at present in actual use. It has been found by experiment, however, that there is

very little difference in effect, while the amount of labor involved in calculating it is greatly increased. The simple index number is the best for recording economic movements; as a calculation of the cost of living it is theoretically quite imperfect, but in practice is found to be sufficiently accurate.

The Base Period.

The price level indicated by the index number evidently depends upon the price level of the year from which the changes are calculated. An index number is not an absolute but a comparative figure, and represents the combined price of one year as compared with another. The year 1897 saw prices in Canada at their lowest level for at least the past thirty years; if this year were taken as the base, therefore, the index number for every year since then would be greater than 100. If 1907 were taken as the base period, the number for 1908 and 1909 would be less than 100, because there was a heavy fall during the year 1908; but prices were still far above those of 1897. Prices for a single year need not be taken as a base, however, but the average for a number of years may be used. The Canadian Department of Labor has adopted the decade 1890 to 1899, inclusive, the average price for these years being represented by 100. This decade saw a reversal in the movement of prices. They declined steadily up to 1897, after which a rapid rise took place. The index number for 1890 to 1893 is accordingly more than 100; from 1894 to 1899 it was below 100; and in the latter year it had just risen to the average for the decade. The same period is used as the base by the United States.

Method of Calculation in Canada.

It is obviously impossible to include prices of all commodities in an index number, and it is quite unnecessary to do so in practice. The best known index number in the world, that compiled by the "Economist," of London, England, is calculated from quotations of twenty-two commodities. It seems reasonable, however, that the greater the number of articles used, the nearer will the index number approach to accuracy. The Canadian Department of Labor in its investigation for the years 1890 to 1909, used the prices of 230 commodities; since that time the number has been increased to 270. The index number here is not weighted, all commodities being given equal consideration. In such a large list, naturally there are cases where two or more commodities are products of the same original commodity; thus wheat is not only represented in quotations for two grades, but also in the prices of bran, flour and other products. This is the case with several materials which enter largely into human consumption, and in this way the importance of these is emphasized; in other words, as was pointed out by Mr. R. H. Coats in reporting the above-mentioned investigation, the extended list of articles tends to weight itself.

Price Movement in Canada.

As mentioned before, prices have been moving upward almost continuously since 1897, not only in Canada, but throughout the civilized world. The figures compiled by the Department of Labor, and published in the Labor Gazette, indicate the general price movement in Canada since 1890. Temporary declines took place in 1901 and 1908. These, however, were soon over-balanced by increases. In 1907 an index number of 126.2 was reached; that is, the price level of that year was over 26 per cent. greater than the average for the decade 1890-1899. If the base were taken as the year 1897, the index number for 1907 would be 164.9. Since 1905, prices have risen with extraordinary rapidity, due largely to war conditions, and the index number in August, 1918, was 284.3. Compared with the year 1897 the increase has been over 300 per cent.; that is the purchasing power of the dollar is now one-third of what is was twenty years ago.

The W. C. Edwards Company, Limited, of Ottawa, lumber manufacturers, give notice that application will be made to parliament next session for an increase in the capital stock of the company from $4,400,000 to $8,000,000.

A co-operative store will be opened shortly by the Grand Army of Canada, the organization of returned soldiers of a political character which was recently formed. When the organization was formed, a business venture of this description was contemplated, and the association is now in a position, said Mr. H. W. Parsons, acting president, on December 11th, to make a step in this direction.

CONSERVATION AND THE WAR

Need for Conservation, Both in Production and Consumption, Emphasized by War

By M. J. Patton.

The wastrel is a bad citizen. That is the outstanding conservation truth the war has impressed upon the Canadian public. In pre-war days, the lavish spender was called a "good fellow" and was infinitely more popular than he who made use of his brains to see what expenditures could be eliminated as unnecessary. The latter was called "close" or a "tight wad" and his economic value as a citizen was not realized. The war has changed our viewpoint entirely, and, notwithstanding nature's bountiful provision of natural wealth, it is doubtful if we can ever again revert to our old way of looking at things. Moved by the stern necessity of war, the Government has limited luxuries and unproductive expenditures on every hand. The quantity of sugar we have used in our tea has been curtailed, cereals we formerly thought only good enough to feed cattle and pigs have been incorporated in our breakfast foods and found to be palatable and nutritive, our baker has been prevented from baking bread in certain wasteful ways he was wont to follow, and even our newspapers have been compelled to adopt measures to conserve newsprint. War prices have put a restraining hand on consumption everywhere. Even what we used to regard as necessaries have not seemed so essential once we began to examine them closely in the light of war's demands. In a thousand and one ways conservation has been thrust upon us and, wonderful to relate, we have discovered we can save millions of dollars' worth of materials without suffering any real hardship. The war has made us realize that we have been consuming goods wastefully and that we can eliminate that waste without serious inconvenience; extravagance has become unpopular. That is one of the most important economic lessons the war has taught the Canadian people and far-seeing business men would do well to take cognizance of it.

Conservation in Production.

But that is only one aspect of conservation and perhaps the least important, albeit the one the man on the street usually associates with the term. It is even more important that conservation should be urged in the production of goods than in their consumption. What does conservation in production imply? First, let it be said that it does not mean withholding from use resources necessary to the comfort and well-being of the community. The conservationist has constantly to fight against this negative interpretation, that conservation is opposed to development. Nothing is further from the truth. Conservation, it is true, is the implacable foe of waste in any form, including waste in exploitation, but it is the strongest of advocates of efficient and economical development. It is against exploiting a fishery to such an extent that the breeding stock is depleted and the fishery on the point of exhaustion, it is opposed to using only 20 feet of the head of a waterpower where 30 feet could be developed, it does not favor taking everything off and putting nothing back on agricultural lands, for that means soil exhaustion, and it does not favor cutting down forests without making provision for another forest crop. Conservation in production does not imply a dog-in-the-manger policy; efficient utilization is its watchword.

Now, what has been the effect of war upon this important phase of conservation? Have we been producing more wastefully or less wastefully since the battle flag was unfurled? A business man of standing recently said to me: "For the past four years, the public mind has been so filled with the necessity of prosecuting the war that, in many quarters, the word 'conservation' has lost its meaning. The war has forced us to postpone our policy of conservation." With this I take direct issue. Never before in the history of Canada has industry operated with less waste or greater efficiency. While, to some, the word conservation may have lost its meaning, the principles of conservation, call them by what name you will, have been practised as never before. Lands that have lain waste have been brought under the plough; varieties of fish we formerly knew nothing about and which the fisherman threw back into the sea, are now household words, thanks to government advertising; mines that have lain dormant have been opened up and more efficient methods of mining and smelting have been adopted; waterpowers with head only partially developed have been redeveloped to utilize every inch of fall; and inefficient, out-of-date machinery has been scrapped to give place to the more

efficient. With the single possible exception of public health, there is hardly any branch of our natural resources that has not thrilled with the re-energized principles of conservation. High prices, the patriotic desire to eliminate waste and the insistent pressure of public opinion, have moved us as never before.

Let me mention a single concrete instance to illustrate the stimulating effect of war. Ever since its organization in 1910, the Commission of Conservation has been advocating the use of by-product coke ovens instead of the bee-hive type. In both of these, bituminous coal is burned to produce coke. The by-products, in the case of the by-product oven, are gas, tar and ammonia; in the case of the bee-hive, gas only. The mining engineer of the Commission, Mr. W. J. Dick, in his widely distributed report *Conservation of Coal in Canada*, expounded clearly the merits of the by-product oven, even figuring out to a cent the advantage it had over the type in common use. The Commission's monthly publication, *Conservation*, kept preaching the advantages of the by-product oven, the press was supplied with articles regarding it and in other ways it was given favourable publicity, but without very encouraging results. The cost of installation was higher than for the bee-hive oven and to those interested the extra initial cost looked big in contrast with the small but regular daily savings of the by-product oven. Even where bee-hive plants were worn out, some executives were so short-sighted as to install new plants of the same type.

Then came the war and business men began to hear of T.N.T. and other explosives and chemicals in the manufacture of which the tar and ammonia by-products were essential. The prices of these began to soar and there were many heart-burnings because the merits of the by-product oven had not been more carefully considered when pre-war cost of installation had prevailed. High costs notwithstanding, they were now installed. Two of the largest users of coke in Canada have, during the war, installed large batteries of by-product ovens, costing millions of dollars, and, even considering the high cost of installation, they will make more money under peace conditions than with the wasteful bee-hive type of oven. That is one instance of how the war furthered the practice of conservation, and there are few industries of which similar tales could not be told.

Work of Commission Carried On.

During the whole period of the war the patient investigative work of the Commission of Conservation has gone on, subject, of course, to limitations of man-power and financial appropriations. It may not be out of place to cite at this point an illustration to show how useful this work has been, even for war purposes. Sitka or silver spruce was found to be the ideal wood for use in the manufacture of airplanes. Before the United States entered the war, the greater portion of this wood required by the Allies came from the Pacific Coast of that country, where large and well-known tracts of it existed. When, however, the United States entered the war she commandeered all this timber for her own aviation service. For a time a serious scarcity of this most essential material loomed up before the Allies. It was known in a general way that British Columbia had some airplane spruce, but definite information about the exact locations, quantities, quality, availability and ownership was not available. The Imperial Munitions Board finally applied to the Commission of Conservation in the autumn of 1917 to see if it had any information about this much-needed resource. Fortunately, the Commission was just then completing a thorough survey of the forest resources of British Columbia, which had taken three years of difficult, painstaking work. Definite information regarding every tract of airplane spruce of importance in British Columbia was on file—the locations, areas, character of the stands, the quality of the timber, its availability and ownership. This was handed over to the Imperial Munitions Board together with the loan of the services of Mr. R. D. Craig, the Assistant Forester of the Commission, employed on the investigation, and production on a large scale was begun at once. The preparedness of the Commission of Conservation undoubtedly saved months of time in beginning the production of this valuable war material and enabled our air forces to attain that superiority which so largely contributed to the successful conclusion of the war.

Other Work of the Commission.

The investigation of the forest resources of British Columbia was begun and completed during the currency of the war. Although every unmarried man on the staff, and some of the married men as well, are serving overseas, the Commission of Conservation has pushed onward with its huge task of finding out what Canada's natural resources are and ascertaining the best methods of developing them to give the greatest good to the greatest number.

Some of the other undertakings may be mentioned besides the report on the Forest Resources of British Columbia which is now being printed. A report on the Forest resources of Saskatchewan (for it is a great forest as well as prairie province) is well advanced. For the past two years the Commission has been investigating the reforestation of pulpwood lands in Eastern Canada. The experiments will extend over many years, but it has already been found that spruce and balsam take from 50 to 150 years to grow to maturity, whereas most lumbermen have been basing their operations on the supposition that a new crop could be cut about every 30 years. This investigation is of fundamental importance to the pulp and paper industry, and some of the larger companies have made substantial grants to the Commission for carrying it on.

Early in the New Year a report showing the distribution of electrical energy throughout Canada will be given to the public, as well as a most exhaustive report on the water-powers of British Columbia.

Many farmers who never before kept records of their farming operations are now becoming more efficient farmers and business men by utilizing the simple yet comprehensive Farmers' Account Book designed by the Commission, whilst many, also, are learning the why and wherefore of farming operations previously understood only in part, from the pages of the Hand Book for Farmers, a booklet which has proved immensely popular in the Khaki University among the soldiers who are looking forward to going on the land when they come back to Canada. Some 15,000 copies of the Commission's reports have been sent to this university at its request, to be used as text-books and supplementary reading in the courses dealing with Canada's natural resources. Each month, also, 1,000 copies of *Conservation*, the monthly paper published by the Commission, are sent to the soldier-students of this university.

Another important phase of the Commission's work has been in town planning and housing. It is not too much to say that the educational and scientific basis of the present movements in favor of town planning and housing have been laid by the skilful and persistent work of the Commission's town planning adviser, Mr. Thomas Adams.

Not only has the organized work of conservation been carried on during the war with every effort exerted to accomplish as much as possible ere the period of reconstruction arrived, but the war itself has permeated the country with the ferment of conservation. Public opinion frowns upon waste and incompetency in business, and industrial leaders are realizing that the public they serve, as well as their own shareholders, are concerned over the efficiency of the methods they employ. Monopolistic and quasi-monopolistic business will be confronted with a demand for public ownership or close public regulation in proportion as its operations are wasteful and inefficient. Public opinion believes that the public has to pay for waste and inefficiency in private as well as in public business.

SPECIAL VICTORY LOAN SUBSCRIPTIONS

With all the returns not yet recorded, the members of the Dominion Special Subscriptions Committee of the Victory Loan organization report as their achieved quota the immense sum of $270,259,950. This is considerably more than double what was raised by the special subscriptions last year. In Toronto the Committee raised more than the total objective set for both canvassers and specials at the outset of the campaign. All subscriptions of $25,000 and over are reported through the Special Subscriptions Committee.

The following are the results as reported to date:—

	Last year.	This year.
Ontario	$ 63,378,350	$133,714,900
Quebec	44,950,050	96,000,000
Manitoba	11,217,900	22,062,150
British Columbia	4,006,650	*6,000,000
Nova Scotia	4,670,100	*6,000,000
N. Alberta	275,000	
S. Alberta	980,350	2,591,000
New Brunswick	688,350	2,103,000
Saskatchewan	1,508,300	*1,600,000
Prince Ed. Island	203,150	189,000
Total	$131,878,200	$270,259,950

*Incomplete.

THE TRUST COMPANY AND ITS FUNCTIONS

How the Trust Company Has Grown—A Modern Invention—Canadian Trust Company Legislation

By Irving P. Rexford

One hundred years have not passed since the first one was organized, and yet to-day the modern trust ocmpany is one of the most influential and most beneficial institutions in the country. The continent of North America can take credit for having conceived the idea, although prior to the formation of the first trust company, India had what were called "Agency Houses," transacting a business somewhat similar to that now carried on by trust companies.

The first corporation to obtain a charter which included power to transact a trustee business was the Farmers' Fire Insurance and Loan Company, incorporated February 28th, 1822, under authority of the Legislature of the State of New York. The act of incorporation provides that certain persons "associated under the name of the Farmers' Fire Insurance and Loan Company, as well as for the purpose of accommodating the citizens of the State residing in the country with loans on the security of their property (which cannot now be obtained without great difficulty) as to insure their buildings and effects, and those of other persons, by loss from fire, and also for such other useful purposes as are hereafter specified, have prayed the Legislature for a charter of incorporation, to be granted in the City of New York, which it is reasonable to grant."

It was intended that this company would act for persons who did not reside in New York City. Because of the great lack of transportation facilities in those days, it soon became evident that the interests of the clients and also of the corporation itself would be served if the corporation were able to act also as trustee, and so on April 17th, 1822, the Legislature granted to this company further powers by passing another act providing "That the said corporation shall also have authority to receive and take by deed or devise any effects and property, both real and personal, which may be left or conveyed to them in trust; and to assume, perform and execute any trust which has been or which may be created or declared by any deed or devise as aforesaid; and the said corporation are authorized to receive, take, possess, and stand seized of, and to execute any and all such trust or trusts in their corporate capacity and name, in the same manner and to the same extent as trustee or trustees might or could lawfully do, and no further."

The Pennsylvania Company for Insurance on Lives and Granting Annuities of Philadelphia was incorporated in 1812, and in 1836 secured trust company powers by a supplement to its charter.

Growth of Present-Day Trust Company.

It was not until 1853, however, that the first company was formed to transact exclusively a trust company business. This concern was the United States Trust Company. Since that date, and more particularly during the last twenty-five years, the growth and development of the trust company has been most remarkable.

In 1872 the Dominion of Canada and also the Province of Ontario granted trust company charters, but the first trust company actually formed in Canada was the Toronto General Trusts Corporation in 1882.

The first trust companies in England were the Trustee and Executors' Insurance Corporation and the Law Guarantee and Trust Company, starting about 1886-88. The Royal Exchange Assurance Corporation, founded in 1720, took up trustee business in 1904.

Trust companies now operate in the United States, Canada, British Isles, Australia, New Zealand, South Africa, Cuba, Mexico, Porto Rico, the Argentine Republic and the Philippines. The Industrial Bank of Japan is modelled after the modern trust company. The trust company as is practically unknown in European countries, although in France, Holland and Germany there are institutions that perform agency and investment functions very similar to those performed by the modern trust company. In no country, however, has the growth and development of the trust company idea been so marked as in the United States and Canada.

Trust Companies in the United States and Canada.

The trust companies of the United States very generally do a commercial banking business and, in addition, are authorized to transact business as executor, trustee and other trust company business. Likes the banks of the United States, the American trust companies do not have branches in different cities. Several have branches in different sections of the same city. Some of the largest trust companies have branches at outside points, as in London and Paris. One or two of the leading trust companies, through means of offices in France, were able to offer to the American Government and the American soldiers overseas a particularly complete financial service.

In Canada, the trust companies do not transact a banking business, although some are authorized to receive savings on deposit. Following the example of the Canadian banks, many of the trust companies in Canada have branches in several of the important cities. One or two have opened branches in London, England, one or two in Newfoundland and at one time one Canadian trust company had a branch on the continent.

Charters Obtained for Other Purposes.

The term "Trust Company" in Canada has been very freely used. The fact that the charters granted to trust companies must be broad enough to permit of the covering of all cases that may arise in their operations, has been a temptation to many promoters. A very large number of companies, therefore, formed for some specific purpose, but without any intention of transacting a general trust company business, have taken charters out under the corporate name of "Trust Company."

It is only within the last ten years that any effort has been made to really control the use of the word "trust" in a corporate name so as to confine it to those companies which were formed for the purpose of really doing a legitimate and general trust company business.

A year before the war there were approximately one hundred and sixty companies in British Columbia alone operating under the name of "Trust Company," ninety-five per cent. of which were formed for some specific purpose and made no attempt to transact a regular trust company business.

When the war broke out about thirty so-called trust companies were operating in Montreal, although the number of these companies actually transacting a general trust company business was limited to eight or ten. The other companies have not been heard of very much during the period of the war, but many will no doubt come to life again when business conditions become more normal.

Restrictive Legislation.

In order to control the use of the word "trust" in a corporate name, and in order to have some supervision over the business of trust companies, several of the provinces passed acts defining under what circumstances a company could operate under the name of a trust ocmpany. In 1914 the Federal Government passed "The Trust Companies Act," a very complete bill which strictly limited the use of the word "trust" in the corporate name of the companies taking out new charters, but companies which have taken out Federal charters prior to the passing of this act were still able to operate under the name trust company and the Federal Act did not affect trust companies with provincial charters. At least, in some of the provinces, the passing ever of a Provincial Trust Company Act has not diminished the misuse of the title "Trust Company" by companies incorporated prior to the date of the act.

The future gives promise of tremendous development of the trust company idea in Canada. Already there are many very large trust companies carrying on a very high class business and caring for hundreds of millions of monies and investments belonging to estates and individuals. The trust company, as a rule, has very broad powers in handling estates and trusts. It is organized very largely to serve those who cannot serve themselves. The use of the name "Trust Company" should, therefore, be strictly limited to those companies which conduct their business along legitimate and conservative lines.

We should have a Federal Act under which every institution using the name "Trust Company" would be incorporated, and the power should be taken from the provinces of granting charters to trust companies. This law should be retroactive so as to govern at least to the extent of the use of the name "Trust Company" all existing companies whether under Federal or provincial charter. Then the name "Trust Company" would be safeguarded in the same way as the name "Bank" is safeguarded in Canada. There may be difficulties in the way which would have to be removed before such action could be taken, but few difficulties to-day

can be considered as insurmountable if there is a valid reason for action.

Variety of Business to be Handled.

The old proverb that "truth is stranger than fiction" is well illustrated in the records of almost any large trust company, for there are many quaint and curious duties performed by them in connection with the handling of trusts. A trust company acting under a will may be called upon to continue for a time any class of business, may have any kind of investment to deal with, may have all sorts of curios to to inventory and dispose of, may be called upon to deal intimately with people of many nationalities, of all ages, of all classes, with the educated and the ignorant, with the wayward, the drunkard, the spendthrift and the insane. In fact, the trust officer must be prepared to discuss any matter from the temporary operation of a circus, as one American trust company had to do some time ago, to the details of dealing with an art collection. He may be asked by a widow to help to deal with a wayward son or to try and prevent a daughter making a foolish marriage. He may be discussing a thousand dollar transaction one minute and working on a million dollar affair the next.

In the course of handling these trusts, the trust company meets with many amusing cases. One lady afflicted with the dread of being buried alive, left instructions in her will that the trust company should perforate her heart with a hat pin after her demise. Another trust company in carrying out the terms of a will under which it was executor, sent an officer across the Atlantic to the Mediterranean where the ashes of a cremated client were "cast to the four winds." One large American trust company has a vault in which are stored the ashes of departed clients. Many trust companies are called upon to "keep graves green." A trust company in Montreal was called upon a short time ago to settle an estate which consisted of five hundred thousand photograph negatives and practically nothing else. Another trust company was instructed to devote a sum of money to a church providing that the church maintained the high ritual in its services, the duty thus being placed upon the company to act as censor over the church service. All these duties tend to make the daily routine of a trust company officer one of constant interest.

Principal Functions.

In the course of its ordinary business a company transacting a general trust company business offers among others the following services:—

Acts as executor, trustee, guardian, curator, financial adviser, attorney and private agent; as trustee for married women in respect to their separate property; as managing co-executor in conjunction with individual executors; as custodian of securities; as agent to collect income; acts as trustee to receive, manage and distribute proceeds of life insurance policies; as attorney and agent for the legal heirs of those dying without a will, as attorney to act generally or to perform some specified act.

Assumes full management of trust funds and other funds available for investment. Acts in an advisory capacity to assist in the investment of funds and care of such funds after being invested. Places funds in carefully selected first mortgage loans for clients and supervises such loans afterwards if desired.

Acts as agent on a commission basis to buy, sell, rent, appraise, insure, repair and alter real estate. Acts as agent to assume full management of office buildings, apartment houses, stores, dwellings, and other revenue-producing properties.

Acts for corporations as trustee under bonds; as transfer agent and registrar for stock; as agent to pay coupons and dividends; as trustee under reorganization proceedings; as depository for property in escrow; as confidential agent to act in any approved transaction where it is desired that the name of the principal shall not appear; as trustee to manage sinking funds; as liquidator and assignee.

Handles accounts and all clerical work connected with fraternal societies, benevolent and charitable institutions.

Analyzing the recent report of the Ontario Bureau of Mines, it is significant to note that in the first nine months of the current year a value of $12,500,980 was produced in silver. This exceeds by nearly $400,000 the output for the whole of 1915, and is not far under the output for the whole of 1916 as well as 1917.

NEW INCORPORATIONS IN 1918

List of Large Companies Which Were Incorporated Under Dominion and Provincial Charter

The following is a list of companies which were incorporated during 1918, up to December 15th, under Dominion and provincial charter, with authorized capital of $1,000,000 and over. The date of incorporation is given together with the authorized capital:—

Nelson, B.C.—January 18, 1918, Waneta Power Co., Ltd., $1,500,000.

Welland, Ont.—January 25, 1918, Metals Chemical, $1,500,000.

Ottawa, Ont.—January 25, 1918, Wood Molybdenite Co., Ltd., $1,000,000.

Brandon, Man.—January 11, 1918, Great West Coal Co., Ltd., $2,000,000.

Cobalt, Ont.—May 17, 1918, Indian Peninsula Mining Co., Ltd., $1,000,000.

Victoria, B.C.—February 22, 1918, East Sooke Mines, Ltd., $1,000,000.

North Bay, Ont.—January 18, 1918, National Grocers, Ltd., $1,500,000.

Nanaimo, B.C.—June 14, 1918, Canadian Western Fuel Co., Ltd., $5,000,000.

Belleville, Ont.—November 22, 1918, Belleville Rubber Co., Ltd., $1,000,000.

Hamilton, Ont.—May 17, 1918, Zimmerman Manufacturing Co., Ltd., $1,000,000.

Fort Francis, Ont.—January 11, 1918, Nickel Lake Mining Co., Ltd., $1,000,000.

Kirkland Lake, Ont.—March 22, 1918, Montreal Kirkland Gold Mines, Ltd., $1,000,000.

Merritt, B.C.—September 20, 1918, Aspen Grove Amalgamated Mines, Ltd., $1,000,000.

Sorel, Que.—January 11, 1918, St. Lawrence Shipbuilding and Steel Co., Ltd., $1,000,000.

St. Catharines, Ont.—January 18, 1918, McKinnon Columbus Chain, Ltd., $1,000,000; January 25, 1918, Engineering and Machine Works of Canada, Ltd., $1,000,000.

Winnipeg, Man.—January 25, 1918, Pinto Collieries, Ltd., $1,000,000; April 12, 1918, Gordon, Ironside and Fares Packers, Ltd., $3,000,000; June 21, 1918, Gray Tractor Co., Ltd., $1,000,000 August 16, 1918, Bellevue Mining Co., Ltd., $2,000,000; November 22, 1918, National Securities and Investments, Ltd., $1,000,000.

Vancouver, B.C.—February 22, 1918, International Cordage Co., Ltd., $1,000,000; March 1, 1918, British-American Shipbuilding and Engineering Co., Ltd., $1,000,000; March 22, 1918, Glen Mountain Mines, Ltd., $1,000,000; August 9, 1918, Northern British Columbia Fisheries Co., Ltd., $2,000,000; September 6, 1918, Coalmont Collieries, Ltd., $3,000,000 November 22, 1918, National Bond Corporation, Ltd., $1,500,000.

Montreal, Que.—January 11, 1918, Maritime Wrecking and Salvage Co., Ltd., $1,000,000; Colborne Trading and Transportation Co., Ltd., $2,000,000; Canadian Co-Operative Marine Corporation, Ltd., $1,000,000; Co-Operative Shipping Co., Ltd., $1,000,000; Union Collieries, Ltd., $1,000,000; Utility Securities and Realties, Ltd., $1,000,000; January 18, 1918, Wolvins, Ltd., $2,000,000; January 25, 1918, British Controlled Oilfields, Ltd., $12,500,000; February 18, 1918, Shale Brick Co. of Canada, Ltd., $1,600,000; Century Coal and Coke Co., Ltd., $1,500,000; March 1, 1918, Leonard Tractor Co. of Canada, $1,000,000; March 8, 1918, Federal Zinc and Lead Co., Ltd., $3,000,000; American Electro Products Co., Ltd., $1,500,000; May 24, 1918, Fairfax Forgings, Ltd., $1,500,000; June 14, 1918, Halifax Shipyards, Ltd., $6,000,000; June 21, 1918, Troja Steamship Co., Ltd., $1,000,000 July 12, 1918, Faro Investment Co., Ltd., $1,000,000; July 26, 1918, J. H. A. Acer and Co., Ltd., $1,000,000; August 2, 1918, Steam Navigation Co. of Canada, $2,500,000; September 20, 1918, Canadian Feed Manufacturing Co., Ltd., $1,000,000; October 18, 1918, Canadian Johns-Manville Co., Ltd., $2,500,000; November 5, 1918, Matane Lumber and Development Co., $2,000,000.

Toronto, Ont.—January 11, 1918, Three Stars Silver Mines, Ltd., $3,000,000; Canadian Kodak Co., Ltd., $5,000,000; January 18, 1918, R. Laidlaw Lumber Co., Ltd., $2,000,000; February 1, 1918, Monarch Tractors, Ltd., $1,000,000; Canada Metal Co., Ltd., $1,000,000; February 8, 1918, Victory Gold Mines, Ltd., $1,000,000; February 15, 1918, H. J. Daly Co., Ltd., $1,000,000; April 5, 1918, Aetna Gold Mines, Ltd., $1,000,000; April 19, 1918, International De Lavand Manufacturing Corpor-

ation, Ltd., $6,000,000; May 17, 1918, National Iron Corporation, Ltd., $3,000,000; June 28, 1918, Commonwealth Chemical Corporation of Canada, Ltd., $1,000,000; July 26, 1918, National Molybdenite Co., Ltd., $1,500,000; August 23, 1918, Belcher's Islands Iron Mines, Ltd., $1,000,000; August 30, 1918, American Purchasing Corporation, Ltd., $5,000,000; September 13, 1918, Rosedale Coal Co., Ltd., $1,500,000; September 20, 1918, Canadian Tire and Rubber Co., Ltd., $1,000,000; September 27, 1918, Gold Lake Mining Co., $1,000,000; October 4, 1918, Universal Cartridge Co., Ltd., $2,000,000; November 1, 1918, British-American Steamship Co., Ltd., $3,000,000; November 15, 1918, W. S. and Canada Transport and Trading Co., Ltd., $2,500,000; Alloy Steel Works, Ltd., $1,500,000; Matachewan Gold Mines, Ltd., $4,000,000.

COMMANDING FUTURE OF FINANCIAL ADVERTISING

Usefulness Has Been Already Demonstrated—Appeal Must Be Both Conservative and Effective

By D. McEachern.

Since 1914 financial advertising has undergone a marked change in Canada. Deeply rooted customs and practices handed down from the middle of the last century have been rudely shaken. Long-standing prejudices have given place to enthusiastic co-operation.

In the extremity of war, financial advertising methods and appeals of past days were found of no avail. Every hard and fast rule formulated by well-meaning dignitaries of long ago has been broken by the advertising enterprise of our government with the result that during the past four years many hundreds of thousands of Canadians have been guided into new habits of thrift and safe investment.

This success was achieved by the broadest kind of human interest copy and by the use of many mediums ranging from the great city daily to the modest street corner sandwich board.

One of the strongest vindications of the new order of financial advertising—if any vindication be needed—is found in the recent success of the Victory Loan. This project was given wider and more intensive publicity than any scheme in the history of the Dominion. The pocket-books of the Canadian public were reached by human appeal, and a continuance of that sort of appeal on the part of financial advertisers will reap rich results.

A New Advertising Outlook.

The remarkable success of Canadian government advertising will result in the expectation on the part of financial institutions of greater and more definite results from their own advertising.

A large percentage of expenditure in past years has been made for the purpose of creating good-will and keeping their names before the public. Doubtless this goal warrants the spending of a certain amount of cash, but the major portion of an advertising appropriation should be made a profitable investment—not an item of expense.

Victory Loan and other war fund advertising has made an indelible impression upon financial advertising copy, and in future it will not only be more intelligently prepared, but it will be expected to secure substantial returns for the money spent.

Thrift Stamps.

This new government enterprise under the direction of Sir Herbert Ames deserves the whole-hearted co-operation of every financial institution. His energetic effort to marshal the small savings of Canadians by means of a plan which cannot fail to fascinate the masses will, it is hoped, give to Canada a place among the thrifty nations, second not even to France.

The active aid of every institution, small or large, is needed to push the sale of these stamps to the utmost. While the movement is a carefully organized effort, it will reach its highest efficiency only when the solid support of all is secured.

The inauguration of thrift stamps is a wonderful step forward in Canada's history and will mark another milestone in the effective progress of Canadian financial advertising.

Why Not Call a Spade a Spade?

Has not the time arrived when the advertisers of impossible stocks and subdivisions should be classed with thieves and swindlers? The results of their operations have been all too apparent during the past ten years. Shall they again be allowed to sap the vitality and scatter the energies of our nation at a time when every dollar will be needed for legitimate purposes?

With the coming of peace and the lifting of the Finance Minister's ban upon flotations will arise a sturdy crop of get-rich-quick and highly speculative securities. Their arrival on the markets will be heralded by the usual full-page blare of brass, and doubtless the public will be offered special inducements to part with their Victory Loan holdings.

Much of the responsibility for the opportunity of swindlers to dispose of unsound securities in Canada lies with the Canadian financial institutions. Our citizens are now—thanks to government advertising—a great saving and investing body, and in the years to come they should have wise guidance into the way of sound investment.

If the financial institutions rise to the occasion, Canada will stand four-square, able and ready to confront her future financial and economic problems.

The publishers of magazines and newspapers also share responsibility in this matter. It has been said that no publication is any more honest than the least honest advertisement within its pages. The printed page has a marvellous power for good or for evil, and the public looks to the publisher for protection against dishonest advertising.

All honor to the consistent stand of those Canadian magazines, newspapers and periodicals that have, at heavy loss to themselves, closed their columns to false advertising. By so doing they have protected their readers and have elevated the entire plane of honest advertising.

Intensive Business Building.

Consider for a moment the field ahead for new financial business when Canada once again becomes the Mecca of the home-seeker, and when countless thousands of new settlers and new mechanics till our waiting farm lands and operate our factories and mines.

But after all is not the getting of new business just a single step towards the goal to be attained? A higher step is to retain business once it is secured; a still higher and a much neglected step is to make such business grow and expand until it becomes a profitable asset of the institution and an added factor in Canada's agricultural and industrial development.

A Man-Sized Job.

In these endeavors the financial advertising manager has no sinecure. His invitation to the public to maintain savings accounts, to invest surplus funds, or to buy life insurance does not carry the same power of appeal to the unthrifty—who unhappily are in the majority—as does the advertising of the theatre, the jeweller or the automobile manufacturer.

If his appeals are acted upon, a degree of sacrifice is almost always involved. The very nature of financial appeal, together with certain restrictions as to dignity, use of superlatives, etc., makes good financial advertising more difficult to construct than the commercial product.

War-Time Trust Company Growth.

Particularly is this true in the case of trust advertising. Successful copy-writing in this field is not a task of a passing hour nor is it the handiwork of an amateur.

The broad service offered by trust companies being of comparatively recent origin much educational advertising is being done in order to convince the public that corporate administration of estates is greatly superior to individual management.

Results show that during the four-year period ending December 31st, 1917, the business of Canadian trust companies increased over 41 per cent., and at that date totalled over $428,000,000. This example of war-time growth may well inspire confidence and the right kind of publicity used by the majority of the companies played no small part in the result.

The surface of available trust business in Canada has only been scratched and a variety of opportunities await the advertiser in this field.

The war and the recent epidemic have wrought marked changes in the outlook of the average man. He has, for instance, realized, as never before, the uncertainty of human life. He has a keener appreciation of the valuable services rendered by the modern trust company in the capacity of executor and administrator of estates, along with the imperative necessity of life insurance protection for his family.

At the present time each company is engaged in waging expensive single-handed campaigns calculated to break down prejudice and misunderstanding on the part of the public. Joint educational advertising campaigns have been success-

fully carried on by trust companies in many centres in the United States—notably in Cleveland, Pittsburg and in Los Angeles. They invariably resulted in increased business for the companies participating, and in a wider knowledge on the part of the public as to the benefits of trust company service.

In Canada the institution of a nation-wide campaign of education would be a better plan to follow. The publication of live copy, pertinently illustrated, hammering home to the public the benefits of corporate management of estates, at the same time pointing out the pitfalls that await individual executors and the valuable possessions in their custody, would prove of undoubted benefit to every company.

The task of financing such a campaign should not be insurmountable. Direct results would be obtained by every company, and new business would be created proportionately with the amount of energy expended by each in following up the favorable impression made upon the public.

Opportunity Knocks!

Prophets all agree that splendid possibilities for profitable development are in immediate store for Canada. Coupled with this prediction comes the warning that competition with other nations will be keen in most lines of endeavor.

What does this mean to financial advertisers?

The torch of thrift so ably borne by our government throughout the period of the war must not be allowed to die down and flicker out into the darkness of pre-war days. Now is the opportune time for all Canadian institutions to shoulder the task of promoting national thrift.

We are told that Canada cannot hope for any immediate substantial flow of capital from Great Britain or from the United States, and her reconstruction period enterprises must, in the main, be financed by her own citizens.

Opportunity stands knocking at Canada's door. Shall she be turned away with the answer—"No money to finance our farms, our factories and our mines"?

Pile up Canadian savings for use in the reconstruction years! Every dollar will be needed! One hundred per cent. efficiency cannot be reached until every financial institution fully realizes its individual responsibility. In so doing the financial institutions, will in this crisis, not only serve the best interests of the nation, but will build up their own strength and widen their scope of service.

There is but one way by which this task can be accomplished—by the proper use of the most potent force known to the business world—ADVERTISING.

Statement of Immigration to Canada for season April to October, 1918, compared with preceding season

(Figures furnished to "The Monetary Times" by Mr. W. D. Scott, Superintendent of Immigration, Ottawa.)

Month	1917				1918				Percentages of Decrease
	British	United States	Other Countries	Totals	British	United States	Other Countries	Totals	
April	129	14,409	402	14,940	430	6,310	383	7,123	52 per cent.
May	134	10,496	613	11,243	269	4,554	438	5,261	53 "
June	138	6,801	461	7,400	157	3,277	461	3,895	47 "
July	197	5,169	423	5,789	305	2,719	444	3,468	40 "
August	209	5,715	414	6,338	199	3,610	706	4,515	29 "
September	341	5,377	371	6,089	282	2,835	344	3,461	43 "
October	376	5,072	438	5,886	616	2,194	626	3,436	42 "
Totals	1,524	53,039	3,122	57,685	2,258	25,499	3,402	31,159	46 per cent.

HOMESTEAD ENTRIES IN CANADA, 1898-1918

Years	Total entries	Entries by English	Entries by Scotch	Entries by Irish	Entries by Americans	Entries by Continental Immigrants
Calendar Year						
1898	4,848	489	161	75	581	1,270
1899	6 689	578	192	97	1,064	1,796
*1900	7,426	350	95	50	833	1,643
Fiscal Year						
1901	8,167	659	182	99	2,026	1,866
1902	14,673	1,096	300	184	4,761	2,653
1903	31,383	2,816	724	336	10,942	7,260
1904	26,073	3,486	911	267	7,730	4,909
1905	30,819	4,284	1,225	421	8,532	4,999
1906	41,869	5,897	1,657	543	12,485	5,955
†1907	21,647	3,032	807	252	6,059	2,951
1908	30,424	4,840	1,026	339	7,818	5,373
1909	39,081	5,649	1,310	506	9,829	7,265
1910	41,568	5,459	1,326	546	13,566	6,896
1911	44,479	6,161	1,291	492	13,038	8,793
1912	39,151	5,739	1,041	476	10,978	9,044
1913	33,699	4,452	836	307	8,895	7,757
1914	31,829	3,894	966	400	7,293	8,139
1915	24,088	2,974	800	363	4,334	6,881
1916	17,030	2,374	700	314	2,435	3,899
1917	11,199	1,469	496	194	1,734	2,132
1918	8,319	888	285	142	2,094	1,094
‡1919	3,088	462	118	67	651	324

* Six months ended June 30th. † Nine months ended March 31st. ‡ 7 months to October.

SOLDIERS' PENSIONS IN CANADA

Present System May be Revised by Legislation—Canadian Pensions Liberal Compared with Other Countries

By Hume Cronyn, M.P.

The subject of Pensions for our soldiers already does, and will still more in the future, touch the life of every Canadian—not merely those who are to partake of its benefits but as well the whole nation, who will willingly give it ungrudging support—for this reason it seems well to lay before your readers as far as possible in a condensed fashion, the main features of that problem.

We are all vitally interested in the great questions dealing with demobilization and reconstruction after the war. The Pension system is an integral part of these larger maters, and it is moreover, a definite, concrete problem readily comprehended by the public at large and playing a part in the lives of many, akin to the factors of wages and high prices.

No Comprehensive Act as Yet.

We have not as yet in Canada any comprehensive Pension Act which covers the whole ground; Pensions thus far having been governed by a series of Orders-in-Council and regulations which are by no means as clear from ambiguity or contradiction as might be wished.

It is highly probable that at the next session of the Dominion House a Parliamentary Committee similar to those appointed in 1916 and 1918 will again review the whole situation and, if time permits, consider and recommend to the House a comprehensive Act based upon Canadian experience.

An Act of this kind should be nothing more or less than the will and sentiment of the people crystallized into legal form. It is essential, therefore, that the public of Canada should place themselves in a position to intelligently judge of the questions at issue, and thereafter express their opinions thereon either through the members representing them in Parliament or by discussion in the press and elsewhere.

In considering the question it is essential that a clear distinction should be made between the principles upon which a pension law is founded, and the actual practice or administration under that law. It is the duty of Parliament to enunciate the principles by means of a Pension Act: later it becomes the obligation of the Board charged with the care of Pensions to see that the law is effectively administered. Oftentimes—perhaps, indeed, in the majority of cases—the Pension Commissioners have been blamed for carrying out the law as it stands; at other times the law is attacked because of some error in administration. Let us first see that the Pension Law is on correct lines, and then it becomes an easier matter to allot the blame for and to remedy any defect in its administration.

Principles to be Followed.

Much depends upon the attitude with which we approach a consideration of the general principle of Pensions, but it seems to the writer that Canada as a nation should regard her soldiers in much the same light as the Canadian father regards his son who has crossed the seas to fight for him and his country: the heart of that Canadian father was filled with ceaseless anxiety, mingled with affectionate pride: should his son return disabled there is nothing he would not do to help him in every way. There may exist, however, two considerations which would limit the father's generosity, first —his own financial ability to contribute towards the maintenance of his son; and second, the effect upon that boy if he be allowed for the rest of his days to live in idleness at the expense of another.

So, in debating Canadian pensions, we are forced to consider these same limitations. We all admit that, just as the pay which our men receive is totally inadequate to compensate them for the risks they run and the hardships they endure, so must any pension fall short of fully compensating the wounded or helpless soldier, or of giving to his widow and family anything equivalent to the living husband and father. But Canada, like the individual Canadian, finds herself faced with the limitations above noted, and it is the duty of the taxpayers of this country to determine, in the first place, to what extent the country can afford to contribute, and in the second place (in the case of men partially disabled) how far we can wisely go towards compensating them.

It is unnecessary to remind your readers of the scandals in connection with the Civil War Pensions of the United States. As an American writer expressed it only last month:—

"Our Pension legislation developed into the greatest legislative abuse in the history of the Government, and constitutes to-day a monument to the weaknesses of our lawmakers and of our presidents . . . . It is not too much to say that the Civil War pensions, conceived in a generous spirit of patriotism, have resulted in a demoralization of Congress and the nation unequalled by any other legislation in our national history."

With this record before us, it is of the utmost importance that we should place the system of Pensions on so broad and firm a foundation that in the days to come there will be no incentive to make use of it as a political engine and to introduce, at the behest of this or that Party, concessions intended merely for the sake of winning votes.

In the first year of the war our Pension bill was not much more than $250,000; the year following it amounted to three millions; the next year to eight millions; and the estimate for 1918 has been placed by those in charge at fifteen millions.

Scale of Pensions.

Under the scale now in force, the totally disabled private soldier, if he be not bedridden or otherwise quite helpless, receives $50.00 a month, or $600.00 a year. If a married man, he gets an additional $8.00 a month or $96.00 a year, and he receives a like amount for each of his children so long as his boys are under sixteen years of age and his girls under seventeen. At these rates the soldier who is entitled to a full pension, with a wife and three children (that is to say, an average family of five persons) would receive $984.00 per annum. If he were entirely helpless he would, in addition to the above sum, be entitled to an extra allowance up to $300 a year, for special care and nursing.

The widow of a private soldier is entitled to receive $40.00 a month, or $480.00 a year, and a similar allowance of $6.00 a month for each one of his children under the ages above mentioned.

The first question the reader must put to himself is whether under existing circumstances the amounts above quoted are reasonable. It has been suggested, while the cost of living is so high, some bonus or allowance should be added to these sums. It should not, however, be forgotten that were this carried out it might be an impossible task for any Government in after years to discontinue payment of these additional allowances. Another suggestion is that through the machinery of the Patriotic Fund, additional allowances should be made in those cases where the need is urgent. This proposal might not meet with the heartiest approval of our pensioners although for a somewhat similar purpose the British Minister of Pensions is accumulating a voluntary fund—he seeks to obtain in this way not less than three million pounds to be at his disposal through the medium of local pension committees.

The Pensions for those above the rank of private increase slightly in the case of non-commissioned and warrant officers, and reach for commissioned officers—totally disabled —the following amounts:—

Lieutenant	$ 900	a year
Captain	1,000	"
Major	1,260	"
Lieut.-Colonel	1,560	"
Brig.-General	2,700	"

Thus far we have been considering the cases of those who have been totally disabled: to those who suffer something less than 100% disability, pensions are awarded on a scale based upon the maximum amount. There are in all twenty classes, graded down from the 100% disabled to a man whose disability is estimated as between five and nine per cent. A private soldier whose disability is fixed at between 54 and 50% is awarded $25.00 a month, or $300.00 a year—one-half of the allowance made to the totally disabled man. If married, he receives $4.00 a month additional (or one-half the maximum sum), and $5.00 a month additional for each child under the above ages. Should, therefore, an increase be made in the maximum allowance for totally disabled men, all the other classes would benefit in proportion.

The question will naturally be asked—how do our Pensions compare with those of other countries? If we leave out of the reckoning the insurance scheme adopted in the United States and the alternative system of Great Britain,

it seems clear from the figures available to date that Canadian Pensions for the rank and file are higher than those of any other belligerent. The following are the yearly amounts awarded to totally disabled private soldiers in the countries named:—

New Zealand	$505
Australia	375
United States	360
Great Britain	351
Italy	243
France	240

The pension to Canadian widows, of $480 a year, is also greater than that of any of the other countries named, New Zealand being again next on the list, with an annual allowance of $379.

Rules Followed in Granting Pensions.

Outside the scale of allowances, the following rules adopted in awarding pensions should be kept in mind:—

First.—The pre-war income or station in life of the pensioner is not considered. Officers are awarded higher pensions than the rank and file, but the millionaire private receives exactly the same allowance as the laborer who has fought beside him. In Great Britain, on the contrary, if the average pre-war earnings of a pensioner had been in excess of the maximum pension under the regular scale his allowance may be sensibly increased.

Second.—The test of the extent of a man's disability is its effect upon his earning power in the untrained labor market. To put it in another (but not so accurate a fashion) disabilities are measured by their effect on the physical capacity of the pensioner; for example, an accountant might lose one or both legs, his left arm, or one eye, and yet be capable of carrying on his pre-war occupation. To the ordinary laborer or mechanic the loss of a limb is a serious affair and his condition is taken as governing. The adoption of a double standard has been suggested but the experience of all nations has been that the one above quoted is the only practical method of measuring damages.

Third.—And this is of prime importance! Not only is no deduction made in a pension where a soldier finds profitable employment, but he is encouraged by training and otherwise to render himself wholly independent. It is satisfactory to learn that in numerous cases pensioners whose lack of education or opportunity had, prior to the war, made them mere "hewers of wood or drawers of water" have, though rendered physically less capable, been fitted by vocational or other training, to earn, in addition to their pensions, a larger wage than ever before.

Divergent Views.

Space does not permit of anything like a full presentation of the particular problems which have been solved, or which yet call for solution. It would be unfortunate, however, to close without mentioning two matters regarding which distinctly different views have been expressed.

In the first place, there is a strong volume of opinion in favor of the equalization of pensions, that is to say—it is urged the sums awarded to the rank and file and to commissioned officers should be on a parity. In the United States the principle of equality has been adopted, but by the War Insurance scheme in force in that country officers whose pay enables them to do so can carry a larger amount of insurance than would be possible for the average private. It is evident from the figures published across the border that full advantage has been taken of this plan, as in twelve months' time over thirty-six billions of insurance had already been placed on the lives of American soldiers and sailors. The average policy written is in the neighborhood of $4,500, from which it may be fairly adduced that the majority of commissioned officers took out insurance to the maximum of $10,000.

The difficulty in Canada arises from the fact that those officers who enlisted earlier in the war, and have since been killed or maimed, took out their commissions upon the understanding that the rates of pension payable to officers which were fixed at the outset of the war and which have not been increased, would enure to the advantage of themselves and their dependents. It does not seem fair, as far as these men are concerned, to now cut their pensions below the figure originally agreed upon. No satisfactory solution of this difficulty has as yet been suggested.

The second outstanding grievance arises from the regulations which fail to award to a disabled man the full amount of his pension if his breakdown be the result of a disability which existed prior to his enlistment. For example, —Private A., in civil life, may have been subject to attacks of asthma or bronchitis; when he enlisted he was free from these complaints, or at least the medical officer examining him passed him as fit for service; the strain upon him while training or in the trenches brings back the old complaint in an aggravated form, and he is discharged as unfit. The Medical Board may estimate his total disability at—say 50% —and yet because of his previous medical record his pension is cut down to perhaps 20%: in other words, he would receive a pension only to the extent by which, in the opinion of the medical staff of the Pension Board, his complaint had been aggravated by active service.

As in the first instance, there exists on this subject a strong view that no deduction from pensions should be made because of pre-enlistment disability, unless it is clear that disability had been wilfully concealed from the examining officers.

It is urged with much force that the medical officers who examine and pass a man as fit for a soldier's life are agents of the State, and that the State should be prepared to allow that man his full pension so long as he becomes disabled while in the service of his country. Should this view prevail, one common complaint against our system of pensions will be removed, but at the same time the Pension Bill of the country will be sensibly increased.

There are many other interesting matters connected with the Pension law and its administration which cannot here be discussed; perhaps what has been set out may be sufficient to give the readers of this Annual a general view of pension problems and to set them thinking about their fair and generous solution.

NATIONAL RESOURCES AND DEBT

The following figures, compiled by the United States Census Bureau, gives the national wealth, income and debt of leading countries, as recently estimated by Danish economists. A comprehensive estimate of the same kind for Canada, by Mr. R. H. Coats, Dominion statistician, is given elsewhere in this issue:—

Country.	Population.	National wealth. (Millions of dollars.)
Argentina	8,066,000	.....
Austria	29,193,000	.....
Brazil	26,542,000	.....
China	336,042,000	.....
France	39,700,000	$ 67,000
Germany	67,810,000	80,400
Italy	36,546,000	29,480
Japan	55,965,000	25,460
Russia	175,137,000	60,300
Spain	20,500,000	.....
Sweden	5,713,000	.....
Switzerland	3,880,000	.....
United Kingdom	46,089,000	93,800
United States	105,015,000	254,600

National income. (Millions of dollars.)	Public debt. Date.	(Thousands of dollars.)
.....	Jan. 1, 1917	$ 782,158
.....	Sept. 30, 1917	11,159,308
.....	Mar. 31, 1917	1,145,480
.....	Jan. 1, 1916	1,066,649
$ 7,054	June 1, 1917	17,870,449
10,988	Sept. 30, 1917	20,225,649
4,288	June 30, 1917	6,067,600
.....	Mar. 31, 1917	1,228,916
6,968	Sept. 1, 1917	22,774,330
.....	April 1, 1917	2,079,824
.....	Jan. 1, 1916	217,779
.....	Jan. 1, 1917	154,226
12,060	Mar. 31, 1917	19,011,469
40,200	Dec. 31, 1917	6,664,359

TOWN PLANNING IN CANADA

Outline of the Work of Commission of Conservation—Relation to Housing and Land Problems

By James White.

In modern political economy the conservation of human energy is regarded as a most important form of national economy. As Professor Alfred Marshall says, in his "Economics of Industry": "Man is the chief means of the production of that wealth of which he himself is the ultimate aim. . . . The older economists took too little account of the fact that human faculties are as important a means of production as any other kind of capital."

The inclusion in the work of the Commission of Conservation of the branches dealing with public health, town planning and housing is due to this recognition given to the widest and best means of conservation.

This explanation seems to be needed in view of the impression that some people have that the main activities of the Commission of Conservation are concerned with forests, mines and fisheries. The Commission has had the disadvantage of having its medical adviser in Britain during the war and of undertaking the creation of a stronger public opinion in favor of town planning and housing improvement in Canada, when the whole energies of the nation were occupied in the great and imperative duty of national defence. The Town Planning Branch was inaugurated during the summer of 1914, but its work did not begin till October of that year. Meanwhile the war had broken out and the study and attention necessary to the solution of social problems were necessarily diverted to the one great task that has been so successfully completed.

The work done, however, has been sufficient to keep the officials of the Commission fully employed and the difficulty has not been slight of meeting all the requests for assistance and advice that have come from every part of the country.

Nature of the Work.

There are three main divisions into which the activities of the Town Planning Branch of the Commission may be classified:—

(1) Framing of legislation and regulations for each of the nine provinces with due reference to the different provincial conditions; submitting proposed legislation, etc., to provincial governments; discussing amendments and assisting in passing the measures through parliament, and furnishing members with the data necessary for judgment on the need and value of what is essentially a unique form of legislation.

(2) Educating public opinion to appreciate the value of town planning legislation; its practical character; its effect on engineering and economic problems. Pioneer work in this direction was badly needed before sufficient public interest had been created to secure the necessary funds to carry through schemes owing to the prevailing misconception as to the meaning and purpose of town planning.

(3) Advising municipalities, manufactures and others regarding the carrying out of actual schemes; preparing schemes as object lessons, and as a means of relieving local municipalities of unnecessary expense where the employment of outside experts was impracticable.

Legislation.

The passing of effective legislation is no easy matter in view of the fact that all Town Planning Acts carry a provision that gives control of the economic use of the land. The following is an essential section of a Town Planning Act:—

"Property shall not be deemed to be injuriously affected by reason of the making of any provisions inserted in a scheme, which, with a view to securing the amenity of the area affected by the scheme, or any part thereof, or proper hygienic conditions in connection with the buildings to be erected thereon, prescribe the space about buildings, or the percentage of any lot which may be covered with buildings, or limit the number of buildings to be erected, or prescribe the height, character or use of buildings, and which the department, having regard to the nature and situation of the land affected by the by-laws or provisions, consider reasonable for the purpose of amenity and proper hygenic conditions."

When the scheme is prepared the municipality can regulate the use of land with due regard to the health and convenience of the community without having to pay compensation to owners, so long as its regulations are considered reasonable by the provincial government. The absence of this power in the Ontario Act makes it an ineffective measure.

One of the most urgent needs in Canadian cities is the control of the economic use of the land under a proper scheme. This would prevent congestion in one part and the scattered and wasteful suburban development to be seen around all Canadian cities. It is not an exaggeration to say that the time will come when many of our cities will have to plan their areas and their land development on business lines or have to face serious financial difficulties. They simply cannot continue to meet their responsibilities in connection with the scattered and unplanned development that is taking place round their suburbs.

The actual result of the work of the Commission in regard to legislation is that seven provinces have passed Town Planning Acts, and it is hoped that the other two provinces will fall in line during the coming year. Under each of these acts different regulations have had to be prepared for each province, as complicated and lengthy as the acts themselves.

Public Opinion Must Develop.

With regard to the second form of activity it is only necessary to say that under Canadian conditions the promise of social and economic reform depends, to a very large extent, upon educating public opinion. Leadership has to be given on every public question, especially when technical considerations are involved, and, if it is to be leadership that will accomplish results, it must guide and not drive public opinion. The Commission has issued a comprehensive report on "Rural Planning and Development," which has been widely distributed in Canada and has been adopted as a reference textbook in such American universities as Harvard and Kansas. Lectures and addresses are given in all parts of the Dominion on the request of local organizations.

As a means of stimulating further interest in civic improvement and organization the Civic Improvement League of Canada has been formed on the initiative of the Commission. This organization was never properly constituted, owing to the war, but it is expected that now that the war is over, it will be thoroughly organized and become a powerful educational factor in the Dominion.

Actual Work Accomplished.

With regard to the actual town planning schemes that are in course of development or in preparation in Canada the following may be cited:—

City of Halifax.—Devastated area; plan completed and buildings being erected.

City of Halifax.—General scheme; authorized and being prepared.

County of Halifax.—Four schemes for over 20,000 acres being prepared.

City and County of St. John, N.B.—Scheme nearly completed for 20,000 acres after two years' work.

Borden, P.E.I.—Scheme being prepared.

Kipawa, Quebec.—Plan of new town being completed and houses and mill being erected for Riordon Pulp and Paper Company.

Hawkesbury, Ont.—Model village plan completed.

Renfrew, Ont.—Plan nearly completed for town and suburbs.

Hamilton, Ont.—Plan partly completed.

Ojibway, Ont.—Plan completed; 300 houses to be erected this year.

Swift Current, Sask.—Plan of scheme drafted.

Calgary, Edmonton, Lethbridge and Medicine Hat.—Preliminary plans prepared and schemes in course of preparation.

In addition to these 18 schemes many others are being considered. All of them have been started during the war in spite of obvious difficulties. Several private housing schemes have also been planned, including important schemes at Point aux Trembles and Brantford, in respect of which site plans have been prepared.

Relation With Housing.

There can be no satisfactory solution of the housing problem that does not begin with the land question. From the time that land ceases to be used for agricultural purposes and becomes ripe for building the use of land for industrial dwellings and transportation in all their different forms has never been properly studied in connection with our growing cities and towns. The connection between that use and health, convenience, amenity and economy in development raises a number of important and complicated questions which need to be dealt with in a scientific way.

Such questions as the assessment of land, the increase of taxation and the high cost of real estate in cities for industrial purposes are all intimately related to the question of town planning. The growth of our municipal expenditure and the unsoundness of much of the land development that has taken place are two of the most serious factors in connection with civic growth in this country.

It is idle to talk about keeping down expenses merely by ceasing to do necessary work for the health and convenience of our cities. That foreshadows a process of decay. What is needed is not to stop the expenditure, but divert it into the right channels and use it efficiently.

To anyone who has made a close study of our financial conditions in relation to land development around the cities of Canada, it is evident that we have more serious municipal problems ahead of us than ever before experienced in this country, unless a serious effort is made to replace the haphazard and speculative system with one that has a sounder economic basis.

PUBLIC FINANCING IN ALBERTA

Policy of Economy Pursued in 1918 by Province and Municipalities—Some Necessary Improvements

By W. Ross Alger.

Alberta has, with all the other provinces of the west, during the last year, continued its policy of retrenchment and has not taken on any construction work, except what has been absolutely necessary, as it was desired to keep borrowings at the lowest point possible. The rate of interest has been very high, and with material and labor so expensive, it did not seem like good business to expend money on buildings and improvements where it could be avoided.

As a result the towns and villages of the province borrowed by debenture issues, only $19,000, and this money was mostly used for fire protection. The situation was slightly different in connection with our schools, as we are growing to realize more fully every day that in order to properly build up our country and assimilate our foreign people, we must not only see that our children are all given free education, but must also provide the required facilities for obtaining it, and under the circumstances it is necessary that when schools are needed the slightly higher cost of building and equipping them should not be taken into consideration. The Department of Education has therefore, in conjunction with the Board of Public Utility Commissioners, who have the authorization of our debenture issues, used their best efforts to supply these educational facilities, but at the least possible cost consistent with the necessary school requirements. The total amount of school issues taken out to date for the current year is $265,255, which is about $120,000 more than was expended in the previous year; but the trustees have realized that material is going to continue high for some time to come, and they therefore went ahead with their building programme. The issues mentioned above cover the cost of 138 new buildings and gives our province now about 2,600 schools.

There has been no borrowing of any consequence by our cities, with the exception of Calgary, which issued $2,600,000 in ten-year treasury notes and these were very quickly absorbed by the public.

Single Tax Is Given Up.

The municipalities have turned their attention from improvements to severe retrenchment, and the officials have given the matter of taxation the careful attention it should have received years previous, with the result that the cities of the province have obtained, at the last session of the Legislature, a number of important amendments to their charters, allowing them to break away from the single tax system, and levy, if they desire, income, business and improvement taxes. Some of these privileges have been given for only a few years, until conditions become normal once more. It has allowed the cities to proceed to obtain revenue that was not heretofore possible, and a great deal of money will now be received from people, who will pay their taxes promptly and so allow the cities to be better financed. The great difficulty in the past has been, that so much money due on unimproved property was not at present collectable.

Industrial Developments.

Unfortunately our province has this year suffered severely on account of a shortage in crops. Nevertheless, our revenue has amounted to nearly $450,000,000—and the citizens were able to subscribe over $18,000,000 to the Victory Loan, which is good evidence of their potential wealth, and ability to withstand a bad year. The farmers are greatly increasing their herds of cattle and the profits from dairying has been one of the big items in our revenue. Moreover, the live stock industry has, as a result of the war, been very profitable, and there is hardly a farmer without his herd of cattle.

The coal industry through the curtailment of the eastern supply has more than doubled during the past year, and it is very questionable whether the western provinces will ever again take coal from the eastern mines as heretofore.

It would also appear from the development that has been done during the last two years, that the north country is going to develop into a real oil field. Fortunately, investigation and development work is in the hands of companies who have, in most cases, the money to go ahead and prove the fields, without causing any undue excitement, so that people are not being interested in putting their money into something that has not yet proved a safe investment.

In view of the cessation of hostilities and the large number in the manufacturing centres who will shortly be out of employment because of the closing down of plants dependent on the war, and also on account of the return of our soldiers, together with a certain amount of immigration, we cannot help but see an influx of people into western Canada, and it will be advisable for us under the circumstances to develop our natural resources as much as possible. It will also help us to get our vast amount of vacant land under cultivation and by this means we will be doing easily our fair share towards helping pay off the large indebtedness which our country has found it necessary to incur on account of the war.

CANADIAN TRADE WITH CHINA

Past Year Has Been Quiet, But Future Possibilities are Encouraging

Canadian trade with China cannot be said to have greatly flourished during the present year; this has been entirely due to causes associated with the demands of the war, and not from any lack of interest on the part of buyers in this country. Indeed it has been observed that the Trade Commissioner's office has been appealed to more frequently within the year than in any similar period in the past, for those commodities so much in demand; and had Canada been in a position to furnish any great portion of the goods required, our trade with this country would have shown a material increase. Nevertheless, a keen interest has been shown in Canadian goods, and a knowledge now exists among all classes of buyers that Canada is a producing country of many of the lines in greatest demand in China. A considerable activity is to be recorded in Canadian timber, also in steel bars, paper, leather, tinned vegetables and fruits; but imports of flour and other food products suffered almost total extinction; due to the rigid export prohibition imposed by the Canadian government upon all such commodities.

Our Imports from China

Regarding the export of Chinese products to Canada, the year's returns will probably show that these have considerably increased, for the Canadian prohibition of imports did not come into force until rather late in the year. Previous to which time great activity was shown in the movement of many classes of Chinese products destined for Canada: hides and skins, wool, egg products, vegetable oils, hogs' bristles, etc.

From observations made during the year of the increased knowledge shown respecting Canada, Canadian affairs and Canadian goods and manufactures, on the part of the buyers in China, the future prospects for a very greatly expanding trade between Canada and this country are extremely promising. It therefore rests with our people to familiarize ourselves more intimately with China and Chinese affairs; to make a closer study of this country, its trade, politics and people, than we have done in the past. Without question, China is at the threshold of great commercial and industrial development, and Canada is in a most favorable position to reap some of the benefits of the coming improved conditions, providing we try for it in an intelligent manner as other nations are doing.

FOREIGN TRADE FOR CANADA

Opportunities for Commerce with Orient — Importance of Pacific Coast in New Developments

By H. H. Stevens, M.P.

It will be necessary to stimulate our production as never before in order:—

(1) To pay the principal and interest of our enormous national debt.

(2) To pay adequate pensions to the dependents of our fallen heroes and to those who survive, more or less disabled.

(3) To provide employment for the hundreds of thousands of men released from war work in Canada and overseas.

One of the surest ways of doing this is to develop "foreign trade," of which Canada had but little in ante-bellum days. Much is being said in these days on this subject and it is not intended in this brief article to discuss it comprehensively, but rather from the standpoint of the Pacific Coast only.

To develop our foreign trade and to give Canada her place among the nations of the world there must be co-ordinated effort on the part of the federal government, provincial governments, municipalities, transportation companies, bankers, traders, etc.

We must increase agricultural, mineral and forest production in order to have goods to sell, as well as to provide a marketable exchange for the goods of the countries with whom we hope to deal. The word "trade" should be taken literally, and vessels must carry cargoes coming and going.

Many Fields Have Been Neglected.

A brief and admittedly incomplete survey of our foreign trade will reveal many opportunities for expansion and improvement. I will confine my comments in this respect almost entirely to countries reached through Pacific Coast ports, and to trade figures of 1913, which was the last normal year previous to the war.

Our trade with countries within the Empire for 1913 was as follows:—

Country	Exports to	Imports from
Australia	$4,700,000	$ 862,000
New Zealand	1,900,000	3,300,000
South Africa	3,835,000	477,000
Hong Kong	1,880,000	1,000,000
East Indies	40,000	1,640,000
British Guiana	652,000	3,560,000
British West Indies	4,489,000	4,484,000
India	417,000	5,006,000

From these figures it will be seen that New Zealand, Hong Kong, British Guiana, East Indies and the Indian Empire purchased very little from us. Think of Canada selling to the teeming millions of India only $417,000 worth of goods, New Zealand less than two millions and the East Indies $40,000! It is not because there is no market, for all these countries import large quantities of goods such as are produced in Canada. For instance, India imported in 1913 $782,500,000 worth of goods, of which we sold her less than half a million, and these imports included such articles as iron, steel, railway materials, farm and other machinery, copper, hardware, woolens, paper, motor cars, etc.

In that year we sold New Zealand less than $2,000,000 worth of goods but they imported $102,000,000 worth, which included over one hundred and eighty different classes of goods manufactured or produced in Canada.

The Orient.

Now turn for a moment to that hive of population—China, whose foreign trade in 1913 amounted to $625,000,000; of this we sold them less than half a million dollars worth and bought from them just one million dollars worth.

Japan presents a similar condition. Our exports to that country in 1913 amounted to $1,590,000 and our imports $2,615,000. It is true that this trade is increasing, and, at the time of writing, an important Japanese trade mission is in Vancouver arranging for better trade facilities between the two countries, while Vancouver merchants purpose sending five members to Japan to study and report upon conditions.

What has been the reason for this ridiculously small trade with these trans-Pacific countries? One reason has been—high freight rates from eastern Canadian points, where most of the Canadian manufacturing is done. This question merits attention.

We ought to secure equitable freight rates direct from point of shipment to destination, and large eastern manufacturers should consider the possibility of establishing branch factories on the coast to meet the requirements of this highly promising field.

It is true that in years past Pacific Coast wages and cost of materials were so much higher than in the east that it made this impracticable; but such is not the case to-day, and will be less so with the release of the large numbers of men now engaged in munition works.

Another reason has been lack of adequate shipping on the Pacific. That has or will be overcome. Japan now operates several lines of trans-Pacific steamers and three or four well-known British lines have declared their intention of establishing their lines on the Pacific, and are now making arrangements to do so as soon as they are released from war obligations.

Australia has also her own mercantile fleet, and the Canadian Government is building twelve large steel ships at Vancouver and Victoria, some of which will unquestionably be dedicated to Pacific trade in conjunction with their new Government Transcontinental Railway. So we may say that shipping is or will be assured.

Perhaps the chief reason for Canada's backwardness lies with our own merchants who have not "gone after" the trade. Manufacturers and traders must be up-to-date; keen to meet the wishes of their customers; turning out a uniformly good article properly and suitably packed; meeting their competitors in price and quality every time; if necessary, suffering temporary loss in order to enter a new market and organizing trade co-operation.

Russia.

Now just a glance at a market presenting most marvellous opportunities, namely, Russia. With an area of 8,648,000 square miles and a population of over 170,000,000, they have only 46,000 miles of railway, which will give some conception of the undeveloped state of the country. Canada has 29,500 miles of railway for 8,000,000 people, or one mile to 270 persons, while Russia has one mile to 3,695 persons; which comparison will give some idea of what this means.

Russia produces huge quantities of agricultural products and has the greatest area of standing timber in the world but imports raw and partly manufactured goods to the extent of $300,000,000 and manufactured articles $227,000,000. This includes agricultural and other machinery, copper, lead, zinc, silver and miscellaneous manufactures, also over $20,000,000 of fish. What this might mean to Canada and more particularly to British Columbia may be judged from the following facts:—

Minerals and Metal Products.

Canada exported in 1913 over $10,000,000 worth of copper in the form of ore or copper matte and not one cent's worth of manufactured articles such as copper bars, rods, wire, nails, strips, sheets, tubing, etc., but, on the other hand, imported $6,500,000 worth of such goods. We sold our raw copper (86,240,000 pounds) at about 11 cents per pound, while we imported 37,880,000 pounds of manufactured copper at 17½ cents per pound, in other words, we only netted $3,500,000 on our copper production, whereas, had we refined this mineral in Canada and turned it into manufactured articles, we should have had at least $15,000,000 from exports of this material.

The same thing applies to silver, zinc and lead. We exported in 1913 over $21,000,000 silver ore, or concentrates. My point is that Russia, as well as many other countries, imports large quantities of copper, silver and lead articles in manufactured or raw form. We have in our mountains vast quantities of these minerals and we should increase their production, refining and manufacture, and export to these foreign markets, thus getting the high and profitable price rather than the lowest base price for raw materials.

Russia, the other Asiatic and Oriental countries mentioned, as well as Central and South American countries (all reached through our Pacific Coast ports) import large quantities of steel and iron products such as tubing, stoves, angles, beams, girders, bars, shafting, rails, engines, etc., and, in addition to articles formerly mentioned, they are also large importers of paper and pulp and, some of them, of woolen goods. We now produce paper and pulp in large quantities and should seek extension of this valuable trade.

Woolens.

In regard to the woolen production, Canada has deliberately committed trade suicide. As a nation, we have allowed the sheep raising industry to diminish to almost a vanishing point and, instead of being in a position to export woolen goods, we imported in 1913 $31,500,000 worth, largely in manufactured form, while our total export amounted to

only $800,000 and most of this was raw wool. Production of wool should become one of Canada's first objects. It is the staple which formed the basis of Great Britain's trade supremacy and may well be looked on as an important factor in our national commercial revival.

As a people, we are on the threshold of a new era. Opportunity, in a most attractive and alluring form, is beckoning us onward and outward to the markets of the world. Distinctly advantageous relationships have been established under most auspicious circumstances, giving to Canada an unprecedented chance to take her place among the peoples of the world and sharing with them the benefits of international trade.

FINANCES OF WESTERN CANADIAN CITIES

After-the-War Period May Be One of Greater Trial than that Just Ended—New and Larger Taxes Must be Resorted To

BY C. J. YORATH.

If the usual practice is adopted by the writer an article such as this would endeavor to show that the financial condition of municipalities throughout Western Canada is satisfactory, but, as a matter of fact, the actual situation in the majority of cases is just the reverse.

It is time for the glossing over of actual conditions to cease, and it is time for municipal administration to be placed upon a sound business basis if Canada is to properly prepare for the new conditions arising out of the war and is to successfully compete with the economic adjustment which is taking place and will take place in all other countries.

No municipality can be in a sound financial condition when it has in arrear a large amount of taxes, which, according to the published reports, in some cases amount to two or three times the annual tax levy.

The situation so far as arrears of taxes is concerned is very much better in the province of Saskatchewan than in the provinces of Alberta and British Columbia, due to the fact that tax sale procedure was put into effect immediately after the outbreak of war.

As a result of the non-collection of taxes, sinking funds are in arrear and short-term notes or treasury bills have been discounted to temporarily tide over the difficulty of financing current expenditures.

If municipalities have been unable to adjust their finances during the period of improved business conditions as a result of the war, it would appear that the adjustment of their problems will become increasingly difficult after the war when conditions will again become normal.

More Taxes Must be Raised.

Unless an alteration is made immediately in the methods adopted by our municipalities in levying taxes, unless the basis of taxation is broadened and placed upon a more equitable and scientific basis, and unless the fictitious land values which form the basis for taxation are adjusted in accordance with their real earning value, the position of some of our municipalities will become precarious.

Taxes after they have been equitably levied will have to be promptly collected and if necessary very stringent penalties will have to be enforced for non-payment. It is impossible for municipalities to conduct their administration in an economic and businesslike way if the present laxity in making collections is continued.

The city of South Vancouver has found difficulty in meeting its obligations and in order to prevent a default in the payment of interest the provincial government had to come to the rescue and advance the necessary money. This resulted in the government insisting upon exercising control in the administration of the city's affairs by the appointment of a commissioner.

Prince Albert, the oldest city in the province of Saskatchewan, has defaulted in the payment of interest and so far the provincial government has taken no steps to alleviate a situation which will undoubtedly affect the price of all municipal securities in western Canada. To the writer's knowledge this situation has already prejudicially affected the purchase of Canadian municipal securities and there is no doubt that a very bad impression has been created in financial circles in Great Britain. At present a committee of bond dealers is working upon a solution of this difficulty and no doubt in the near future one will be found and put into operation.

To allow a municipality to default in the payment of its interest at such a time as this when national securities can be obtained yielding a high rate of interest and when municipalities will shortly require to dispose of debentures to carry out necessary improvements which have remained in abeyance owing to the war, is to say the least, a very short-sighted policy. To allow such a situation to continue is against the best interests of the country as a whole and something should be done, if not by the provincial governments, then by the Federal government, to safeguard the credit of Canada.

Municipalities Should be Supervised.

It would appear that the cause of municipal difficulties is due to lack of experienced control of administration and lack of direction in the proper development of the community. It is useless creating provincial departments for this purpose, if the personnel of those departments is not made up of men having considerable practical municipal experience and who have made a special study of all branches of community development and administration.

It is suggested that as municipal government and community development is responsible for the economic development of the country, the Dominion government with the co-operation of the provincial governments, investigate the present financial condition of all municipalities and take proper steps with the view to: (a) Preventing any further default of the payment of interest or failure to meet financial obligations by any municipality; (b) finding a solution to the financial difficulties which have arisen as a result of the non-payment of taxes brought about by the adoption of a wrong basis for taxation, the unequal distribution of the burden, and laxity in methods of collection; (c) deciding upon a uniform system of municipal government which will ensure the proper direction of civic administration; (d) deciding upon the best system of supervision over the affairs of municipalities which will ensure the carrying out of the system suggested in paragraph (c).

BRITISH SHIP LOSSES AND CONSTRUCTION

The British parliamentary secretary of the Ministry of Shipping, speaking in the House of Commons on November 14th, 1918, gave a resume of the shipbuilding operations in Great Britain during the period of the war.

In 1913, he said, the record figures of 1,900,000 tons was reached. In 1914, when the war broke out, the output fell to 1,700,000 tons. In 1915 it decreased to 650,000 tons; in 1916 to about 540,000 tons and in 1917 rose to a little under 1,200,000. During the 12 months ended October 31, 1918, the total output approximated 1,600,000 tons.

Explanation of these figures, he said, rested with the victory over Germany's submarines. Taking the whole period from the inception of the convoy system in the summer of 1917 to November 2, 1918, the convoys included about 47,000,000 gross tons of merchant shipping, and losses were less than 1.1 per cent. This great result had not been achieved without increasing the amount of labor devoted to admiralty construction.

When the war broke out England had about 250,000 men engaged in shipbuilding, engineering and repairs, according to the secretary's figures. The number now was 381,000. Of these, however, only 116,000 were engaged on merchant ship work.

Building now had risen to the mark of nearly 145,000 tons per month, he said, and the net loss of the shipping had been reduced to a neglible figure. The loss in September was less than 7,000 tons. In short the submarine had been beaten. The secretary declared that it was only beaten because the government had devoted the labor supply more largely to the admiralty than to the merchant shipping.

The output in the 12 months ending October 31, 1918, he placed at 1,600,000 tons of merchant shipping, in addititon to war vessels estimated to be the equivalent of an additional 1,300,000 tons. Thus, he said, the virtual output for these 12 months was nearly 3,000,000 tons, as against 2,300,000 in 1913, which was a record year.

With the additional shipyard workers who would be released from the front and the transfer of labor from the naval yard to the merchant yards, he estimated that an additional million tons a year could be produced in the future.

STEAM RAILWAYS OF CANADA

Statistics as at 30th June, 1917 (latest available).

Name of Railway.	Total Mileage Operated.	Capital Stock.	Funded Debt.	Gross Earnings from Operation.	Operating Expenses.	Net Operating Earnings or Deficit.	Total Net Operating Revenue or Deficit.
Alberta and Great Waterways	120.38	$50,000	$7,400,000	$61,992	$101,337	−$39,345	−$41,053
Algoma Central and Hudson Bay	389.39	10,000,000	10,788,800	1,156,478	969,481	186,996	474,518
Algoma Eastern	105.08	3,000,000	2,804,500	626,640	355,620	271,020	271,020
Atlantic, Quebec and Western	104.88	2,000,000	2,548,675	139,421	152,738	−13,316	−13,316
Bedlington and Nelson		1,000,000					
Brandon, Saskatchewan and Hudson Bay	80.06	2,150,000		48,107	132,498	−84,391	−84,391
British Yukon	101.12	2,934,119	2,044,760	283,883	146,511	137,377	137,377
Canada and Gulf Terminal	37.80	600,000	740,000	46,284	41,989	4,295	4,295
Canada Southern	879.69	15,000,000	22,630,000	13,529,977	7,593,743	5,936,234	5,936,234
Canadien Government Railways (International)	2,110.74			18,023,955	16,385,815	1,638,139	1,638,139
Canadian Government Railways (Prince Edward Island)	309.08			666,995	912,178	−245,183	−245,183
Canadian Northern System	10,914.81	100,000,000	327,441,921	42,999,976	30,840,234	12,159,742	12,159,742
Canadian Pacific	18,222.90	556,966,803	14,230,000	146,713,115	96,657,441	50,055,673	51,766,906
Cape Breton	31.00	1,000,000		12,361	24,208	−11,847	−11,847
Caraquet	87.83	1,250,000	500,000	80,741	79,959	782	782
Central Canada	51.94	625,000	2,000,000	11,300	30,437	−19,137	−19,137
Central Vermont	133.13	2,608,750	355,865	340,645	274,340	66,305	66,305
Crow's Nest Southern	88.28	4,210,000		100,762	206,237	−105,474	−105,474
Cumberland Railway and Coal Company	48.00			99,053	87,170	11,882	11,882
Detroit River Tunnel	1.45	3,000,000	18,000,000				
Dominion Atlantic	342.00	2,433,333	5,998,166	1,152,274	830,278	321,996	319,329
Eastern British Columbia	16.19	420,000		29,466	34,954	−5,488	−5,488
Edmonton, Dunvegan and British Columbia	437.07	250,000	9,420,000	487,605	496,370	−8,764	8,269
Elgin and Havelock	27.00	44,900	50,000	10,285	11,901	−1,616	−1,616
Esquimalt and Nanaimo	246.30	2,500,000	4,832,000	656,711	428,284	228,426	228,426
Essex Terminal	11.00	300,000	420,000	98,528	66,086	32,441	32,441
Fredericton and Grand Lake	35.00	140,000	465,000	94,694	53,460	41,233	41,233
Grand Trunk	5,686.17	241,237,589	178,847,227	46,951,270	33,772,231	13,179,038	13,179,038
Grand Trunk Pacific	2,214.69	24,942,000	173,787,100	6,651,298	6,857,032	−205,734	−205,734
Grand Trunk Pacific Branch Lines	1,155.57	1,000,000	13,469,004	1,593,019	1,796,346	−203,327	−203,327
Hereford	61.44	800,000	800,000	73,187	129,025	−55,837	−55,837
International of New Brunswick	116.72	1,500,000	512,260	135,960	181,370	−45,409	−45,409
Inverness Railway and Coal Company	69.11						
Kent Northern	27.00	75,000	32,000	25,357	17,857	7,500	7,500
Kettle Valley	426.37	375,000		569,134	669,294	−100,159	−100,159
Klondike Mines	33.81	1,375,000	1,091,250				
Lake Champlain and St. Lawrence Junction		600,000	378,000				
Lake Erie and Detroit River		1,400,000	3,000,000				
Lotbiniere and Megantic	33.00	50,000		34,788	33,736	1,052	1,052
Maganetawan River	1.91						
Maine Central	5.10			19,767	16,337	3,429	3,429
Manitoba Great Northern	102.37	2,066,000		42,421	125,639	−83,218	−83,218
Maritime Coal, Railway and Power Company	18.00			97,543	55,283	42,260	42,260
Massawippi Valley	48.99	800,000		221,550	283,318	−61,767	−61,767
Midland of Manitoba	86.53	4,300,000		334,502	344,312	−9,810	−9,810
Moncton and Buctouche	34.00	250,000	60,000	35,963	37,193	−1,230	−1,230
Montreal and Atlantic	232.00	3,200,000	1,065,000	1,301,293	1,223,737	77,555	77,555
Morrissey, Fernie and Michel	10.85	1,263,000		88,964	80,235	8,729	8,729
Napierville Junction	30.42	600,000		158,752	88,405	70,346	70,346
National Transcontinental	2,409.00			7,113,246	7,195,278	−82,032	−82,032
Nelson and Fort Sheppard	63.99	2,846,800		52,559	100,390	−47,830	−47,830
New Brunswick Coal and Railway Company	65.00			37,845	51,436	−13,591	−13,591
New Brunswick and Prince Edward Island	40.35			50,803	77,915	−27,112	−27,112
New Westminster Southern	16.49	600,000		23,307	29,279	−5,971	−5,971
Northern, New Brunswick and Seaboard	19.80	298,500	297,000				
North Shore	10.00	98,000	35,000				
Nosbonsing and Nipissing	5.50						
Ottawa and New York	70.10	1,000,000	1,600,000	295,243	308,608	−13,364	−13,364
Pacific and Great Eastern	199.38	25,000,000	20,160,000	179,671	287,880	−108,209	−108,209
Pere Marquette	571.30		5,870,000	3,203,336	1,713,645	1,489,691	1,489,691
Philipsburg Railway & Quarry Company	6.00	124,500	40,000				
Quebec Central	277.00	3,381,603	6,233,406	1,758,437	1,192,354	566,082	566,082
Quebec, Montreal and Southern	220.23	1,000,000	6,000,000	462,768	507,824	−45,055	−45,055
Quebec Oriental	103.10	119,500	2,026,894	222,834	202,697	20,137	20,137
Quebec Railway Light and Power Company	47.25			100,291	80,741	19,550	19,550
Red Mountain	12.58	412,600		19,395	33,793	−14,398	−14,398
Roberval-Saguenay	36.80	2,000,000	1,272,000	200,694	153,157	47,357	47,537
Rutland and Noyan	3.78	100,000	100,000	16,043	12,975	3,068	3,068
St. Clair Tunnel	1.58	700,000	2,500,000				
St. John and Quebec	127.87			82,935	101,051	−18,115	−18,115
St. Lawrence and Adirondacks	71.99	1,230,655	914,418	1,045,605	588,336	457,268	457,268
St. Martins	30.00	99,000	90,000	19,544	22,354	−2,809	−2,809
Salisbury and Albert	50.00	150,000	250,000	45,955	39,175	6,779	6,779
Sydney and Louisburg	124.06			765,763	637,917	127,846	127,846
Temiscouata	122.40	1,000,000	3,099,669	224,561	195,695	28,866	28,866
Temiskaming and Northern Ontario	439.40			2,236,299	1,710,722	525,577	525,577
Thousand Islands	7.33	60,000	50,000	43,327	31,086	12,241	12,241
Toronto, Hamilton and Buffalo	181.45	4,512,500	6,180,000	2,192,093	1,307,145	884,948	884,948
Vancouver, Victoria and Eastern	424.74	20,850,000		547,186	881,145	−333,980	−333,980
Victoria and Sidney, B.C.	17.63	103,000	300,000	3,138	34,643	12,383	12,630
Victoria Terminal Railway and Ferry Company	1.57	500		47,027	2,093	1,044	1,044
Wabash (in Canada)	245.40			3,969,001	2,761,333	1,207,668	1,207,668
York and Carleton	10.50	105,000		6,521	5,298	1,223	1,223
Final Total	51,359.74	$1,089,114,875	$896,005,116	$310,771,479	$222,890,637	$87,880,842	$89,892,502

Tabulation of the insurance policies paid by reason of deaths from pneumonia and influenza in October and November shows that life insurance companies with their home offices in Hartford, Conn., paid out more than $4,000,000 throughout the United States.

The government of Madras Province, India, has decided that the experiments which have been made by the Department of Industries for the last three years in the manufacture of pencils have reached a stage at which the industry should be made over to private enterprise.

The annual executive meeting of the Winnipeg Canadian Club was held on December 11th, following a luncheon tendered to Lieut.-Col. John Pringle. R. W. Craig, chairman of the Winnipeg Public School Board, was named president of the club for the ensuing year.

A meeting of the creditors of the Montreal Herald Company, Limited, was held in Montreal on the 10th instant. A motion was submitted asking for the appointment of a liquidator and inspectors. The liquidator appointed was Mr. J. L. Apedaile.

STEAM RAILWAYS OF CANADA

Statistics as at 30th June, 1917 (latest available).

Name of Railway.	Taxes Deduction.	Operating Income or Loss.	Other Income from all Sources	Total Gross Corporate Income or Loss	Total Deductions Rents, Interest on Funded Debt. Etc.	Net Corporate Income or Loss	Current Assets	Total Liabilities
Alberta and Great Waterways	$2,160	−$43,213	$25,855	−$17,358	$153,387	−$170,745	$1,529,412	$1,546,129
Algoma Central and Hudson Bay	30,728	443,789	113,765	557,555	818,994	−261,439	676,869	2,221,047
Algoma Eastern	1,839	269,181	1,186	270,368	272,573	−2,205	82,397	112,454
Atlantic, Quebec and Western	3,263	−16,579	59,074	−42,494	78,274	−35,779	74,237	2,183,746
Bedlington and Nelson								108.961
Brandon, Saskatchewan and Hudson Bay	1,071	−85,463	595	−84,867	1,688	−86,556		537,235
British Yukon	6,805	130,572	22,592	153,164	103,889	49,274		270,204
Canada and Gulf Terminal		4,295		4,295	2,463	1,832	3,130	28,954
Canada Southern	252,859	5,683,374	593,384	6,276,759	4,149,550	2,127,208	585,117	227,185
Canadian Government Railways (International)		1,638,139		1,638,139	786,605	851,534		
Canadian Government Railways (Prince Edward Island)		−245,183		−245,183		−245,183		
Canadian Northern System	+903,021	11,256,720	364,563	11,621,284	14,825,021	−3,203,736	28,634,376	74,888,633
Canadian Pacific	1,882,950	49,883,955	9,660,476	59,544,432	3,207,263	56,337,169	96,856,489	23,142,844
Cape Breton		−11,847		−11,847		−11,847		
Caraquet		782		782	8,212	−7,430	4,223	16,251
Central Canada	138	−19,275	669	18,606	38,116	−56,722	902,532	166,877
Central Vermont	+5,450	60,854	22,546	83,401	68,296	15,104		
Crow's Nest Southern	6,341	−111,816	5	−111.811	4,332	−116,144		537,831
Cumberland Railway and Coal Company		11,882		11.882		11,882		
Detroit River Tunnel							280,971	96,923
Dominion Atlantic	+412	318,917	23,291	342,208	341,462	746	68,685	1,725,960
Eastern British Columbia	1,460	−6,948		−6,948	6,624	−13,573	19,312	425,974
Edmonton, Dunvegan and British Columbia	2,479	5,789	14,638	20,428	384,194	−363,765	1,169,568	1,493,295
Elgin and Havelock		−1,616		−1,616		−1,616		24,839
Esquimalt and Nanaimo	35,965	192,460		192,460	220,474	−28,013		
Essex Terminal		32,441		32,441		32,441		
Fredericton and Grand Lake		41,233		41.233	51,416	−10,182		
Grand Trunk	1,289,167	11,889,870	2,500,485	14,390,355	12,427,361	1,962,994	48,522,108	57,746,438
Grand Trunk Pacific	44,725	−250,460	2,535,064	2,284,603	7,992,184	−5,707,580	8,279,011	21,795,744
Grand Trunk Pacific Branch Lines	22,285	−225,613	909,375	683,762	1,222,522	−538,760	171,442	14,809,854
Hereford	1,800	−57,638	382	−57,256	32,900	−90,156		
International of New Brunswick		−45,409		−45,409	18,669	−64,078		
Inverness Railway and Coal Company								
Kent Northern		7,500		7,500		7,500		
Kettle Valley	10,020	−110,179		−110,179	84,392	−194,572	260,998	160,107
Klondike Mines								
Lake Champlain and St. Lawrence Junction								
Lake Erie and Detroit River				1,052		1,052		
Lotbiniere and Megantic		1,052						
Maganetawan River								
Maine Central	510	2,919	35	2,954	3,150	−195		
Manitoba Great Northern	920	−84,138	210	−83,928	10,321	−94,249		492,722
Maritime Coal, Railway and Power Company		42,260		42,260	5,428	36,831		
Massawippi Valley	2,403	−64,171	1,450	−62,721	69,035	−131,756		
Midland of Manitoba	27,128	−36,939	28,076	−8,862	86,078	−94,941	53,872	612,686
Moncton and Buctouche		−1,230		−1,230		−1,230	6,116	20,069
Montreal and Atlantic	34,483	43,972	1,400	44,472	124,662	−80,189		
Morrissey, Fernie and Michel		8,729		8,729		8,729	50,567	146,191
Napierville Junction	854	69,491	2,468	71,960	23,205	48,755	230,241	107,010
National Transcontinental		−82,032		−82,032	741,062	−823,094		
Nelson and Fort Sheppard	5,619	−53,449	105	−53,344	4,411	−57,755		946,160
New Brunswick Coal and Railway Company		−13,591		−13.591	3,456	−17,048		
New Brunswick and Prince Edward Island		−27,112		−27,112	5,107	−32,220		
New Westminster Southern	872	−6,844	350	−6,493	16,944	−23,437		81,271
Northern, New Brunswick and Seaboard								
North Shore								
Nosbonsing and Nipissing								
Ottawa and New York	883	−14,248	2,406	−11,841	1,105,441	539,179		
Pacific and Great Eastern		−108.209		−108.209	289,970	276,492		
Pere Marquette	1,320	1,488,370	156,250	1,644,621	259,515	−20,633		26,692,191
Philipsburg Railway and Quarry Company								
Quebec Central	15,046	551,036	15,427	566,463	118,041	−101,002	901,477	672,060
Quebec, Montreal and Southern	7,696	−52,752	291,634	238,882		−11,972	1,004,415	8,533,585
Quebec Oriental	3,099	17,038	1	17,039	137	−15,693	38.112	702.105
Quebec Railway, Light and Power Company	7,577	11,972		11,972	94,131	−46,594		1,284,861
Red Mountain	1,187	−15,585	29	−15,556	4,000	3,050		266,637
Roberval-Saguenay		47,537		47,537		6,779		
Rutland and Noyan	17	3,050	4,000	7,050	236,143	216,113		
St. Clair Tunnel								
St. John and Quebec		−18,115	230	17,885		127,846		
St. Lawrence and Adirondacks	5,579	451,689	567	452,256	539	−3,349		
St. Martins		−2,809		2,809	22,560	5,135		8,500
Salisbury and Albert		6,779		−6,779	11,683	−29,568	20,730	4,010
Sydney and Louisburg		127,846		127,846	77,706	582,570		
Temiscouata	3,628	25,237	2,458	27,696	10.569	2,126	51,798	47,120
Temiskaming and Northern Ontario		525,577	134.700	660,277	302,635	620,008	393,606	432,333
Thousand Islands	78	12,162	534	12,696	169,918	−400,523	18,537	4,170
Toronto, Hamilton and Buffalo	34,988	849,959	72,684	922,643	449	−548	1,171,421	722,987
Vancouver, Victoria, and Eastern	64,745	−398 726	168,120	−230,605	25,550	−14,703	69,184	646,567
Victoria and Sidney, B.C.	1,380	11,250	−403	10,847	426	796		206,256
Victoria Terminal Railway and Ferry Company	1,488	−443	344	−99		1,207,668	82,873	163,874
Wabash (in Canada)		1,207,668		1,207,668				
York and Carleton		1,223		1,223				
Final Total	$4,726,462	$85,166,040	$17,731,038	$102,897,079	$51,175,398	$51,721,679		

WHEAT PRICE IN UNITED STATES

The guaranteed price for the 1919 wheat crop fixed at $2.26 a bushel, Chicago basis, will stand, even though the Lever Act under which the price was fixed should become inoperative through conclusion of peace, in the opinion of the Food Administration.

The United States Administration has issued a statement interpreting the Lever Act, and pointing out that the law provides that "all rights or liabilities under this act arising before its termination shall continue, and may be enforced in the same manner as if the act had not terminated." Wheat-growers in many parts of the country, it was said, have become apprehensive that the guaranteed price for the 1919 crop might be rescinded through conclusion of peace.

Canadian provinces and municipalities require over $100,000,000 annually for necessary public works.

ELECTRIC RAILWAYS OF CANADA

Statistics as at June 30th, 1917 (latest available).

Name of Railway.	Total Mileage (Computed as Single Track).	Stocks.	Bonds.	Total Capital.	Gross Earnings.	Net Earnings from Operation.	Total Income from Operation.	Net Income or Loss.	Reserves, Special Charges and Dividends	Surplus or Deficit for Year.
Berlin and Northern	3.15	$17,800	$2,400	$20,200	$7,962	$1,372	$1,372	−$1,348	.....	−$1,348
Berlin and Waterloo	5.06	.....	146,963	146,963	55,673	16,183	16,183	+8,351	.....	+8,351
Berlin, Waterloo, Well. & L. Huron	27.96	125,000	426,000	551,000	227,944	76,901	77,942	+55,208	$12,500	+42,708
Brandon Municipal	10.31	.....	450,000	450,000	37,323	4,873	4,873	−17,677	5,968	−23,645
Brantford and Hamilton	23.00	300,000	660,000	960,000	170,854	55,916	55,916	−35,977	.....	−35,977
Brantford Municipal	31.91	.....	270,000	270,000	102,098	31,445	31,445	+31,445	.....	+31,445
British Columbia	367.44	9,174,000	7,068,138	16,241,138	2,700,733	252,525	1,345,535	+432,375	1,162,117	−738,741
Calais Street	7.00	.....	.....	.....	42,411	8,272	8,272	+2,481	2,000	+481
Calgary Municipal	72.00	.....	2,365,173	2,365,173	585,466	197,531	214,074	+100,936	79,142	+21,794
Canadian Resources Development	1.91	486,000	.....	486,000	204	−923	−923	−923	.....	−923
Cape Breton	31.85	1,359,000	1,096,000	2,455,000	243,392	92,315	217 548	+104,705	58,750	+45,955
Chatham, Wallaceburg, and L. Erie	40.60	760,600	694,500	1,445,100	134.274	44,645	44,645	+5,291	.....	+5,291
Cornwall	6.50	200,000	.....	200,000	34,443	6,175	6,256	+5,088	.....	+5,088
Edmonton Interurban	.....	600,000	.....	600,000	.....	.....	.....	.....	.....	.....
Edmonton Radial	53.91	.....	3,067,947	3,067,947	497,117	105.841	105,841	−148,150	.....	−148,150
Fort William	30.38	.....	1,112,000	1,112,000	117,452	23,275	23,275	−32,914	31,793	−64,708
Fort Wm Terminal Ry. & Bridge Co	.....	125,000	.....	125,000	.....	.....	.....	.....	.....	.....
Grand Valley	.....	1,100,000	688,800	1,788,800	.....	.....	.....	.....	.....	.....
Guelph Radial	8.83	193,000	.....	193,000	46,873	10,116	10,419	+8,666	15,680	−7,013
Halifax Tramways	21.62	1,400,000	.....	1,400,000	399,105	149,875	374,527	+312,678	145,453	+167,225
Hamilton and Dundas	7.00	100,000	100,000	200,000	74,628	12,682	12,682	+6,417	10,000	−3,582
Hamilton, Grimsby and Beamsville	22.00	235,000	150,000	385,000	133,235	3,013	3,013	−11,585	.....	−11,585
Hamilton Radial	33.69	111,150	160,000	271,150	170,742	30,251	30,251	−28,578	.....	−28,578
Hamilton Street	33.70	1,205,000	420,000	1,625,000	741,349	289.457	289,457	+194,014	113,225	+90 789
Hull	31.31	292,000	.....	292,000	197,785	67,935	103,126	+24,393	.....	+24,393
International Transit	4.52	150,000	180,000	330,000	140.625	64,364	65,279	+54,583	.....	+54,583
Kingston, Portsmouth & Cataraqui	8.00	83,100	99,250	182,350	52,429	13.564	13,564	+3,489	.....	+3,489
Lake Erie and Northern	54.80	1,500,000	1,600,000	3,100,000	169,211	44,747	44,875	+39,479	.....	+39,479
Lethbridge Municipal	11.00	.....	463,439	463,439	48,540	6,101	6,101	−20,930	9,963	−30,894
Levis County	11.75	422,900	151,100	574,000	95,069	.....	−3,035	−25,578	.....	−25,578
London and Lake Erie	31.25	2,000,000	840,000	2,840,000	60,516	.....	−9,615	−9,615	.....	−9,615
London and Port Stanley	42.60	.....	900,000	900,000	316,685	109,329	109,329	+37,495	10,914	+26,581
London Street	36.02	572,680	605,000	1,177,680	416,366	114,429	114,429	+74,027	34,360	+39,666
Moncton Tramways	4.50	1,125,400	304,000	1,429,400	16,883	9	9	+9	.....	+9
Montreal and Southern Counties	56.53	1,000,000	.....	1,000,000	264,231	.....	−9,700	−81,399	.....	−81,399
Montreal Tramways	233.49	3,394,300	35,608,153	39,002,453	7,725,498	3,123,727	3,123,727	+875,353	337,880	+557.473
Moose Jaw	12.00	760,372	35,000	795,372	104,982	24.249	24,249	+17,859	.....	+17,859
Nelson	3.43	.....	81,000	81,000	14,092	1,558	1,559	−1,795	.....	−1,795
Niagara Falls, Park and River	24.48	.....	600,000	600,000	173,404	44,462	50.674	+15,155	.....	+15,155
Niagara, St. Catharines & Toronto	81.61	.....	.....	.....	756,590	209,415	209,415	+137,694	.....	+137,694
Niagara, Welland and Lake Erie	2.17	250,000	52,000	302,000	32,011	19,489	19,489	+16,262	3,000	+13,262
Nipissing Central	20.18	530,000	.....	530,000	98,889	20,815	21,187	+9,393	.....	+9.393
Oshawa	13.00	40,000	18,452	58,452	145.836	58,432	59,778	+56,932	8,996	+47,936
Ottawa	52.82	1,876,900	425,000	2,301,900	1,194.731	498,202	498,202	+394,142	.....	+47,589
Peterborough Radial	7.34	100,000	.....	100,000	68,255	22,875	22,875	+12,925	4.447	+8,447
Pictou County	.....	1,100,000	688,800	1,788,800	.....	.....	.....	.....	.....	.....
Port Arthur	19.57	.....	863,200	863,200	114.609	22,623	22,623	−46,474	.....	−46.474
Quebec Ry. Lt. & Power Co. (Citadel)	21.04	3,250,000	2,503,434	5,853,434	560,953	203,200	203,200	+203,200	.....	+203,200
Que. Ry. Lt. & Pr. Co (Montmorency)	41.40	.....	.....	.....	229,109	42,983	42,983	+42,983	.....	+42,983
Regina Municipal	34.27	.....	1,675,000	1,675,000	223,364	32,641	32,641	−59,185	.....	−59.185
St. John	.....	800,000	1,000,000	1,800,000	.....	.....	.....	.....	.....	.....
St. Stephen	.....	100,000	100,000	200,000	.....	.....	.....	.....	.....	.....
St. Thomas	7.50	85,028	.....	85,028	17,381	−7,307	−7,307	−7,307	.....	−7,307
Sandwich, Windsor & Amherstburg	41.34	279,000	600,000	897,000	383,816	154,476	186,253	+137,353	5,400	+137,353
Sarnia	9.34	90,000	90,000	180,000	70,353	19,613	19,614	+14,048	.....	+8,648
Saskatoon	16.28	.....	725,000	725,000	185,261	50.664	50,664	+11,595	18,174	−6,578
Schombert and Aurora	14.40	250,000	300,000	550,000	17,087	−4,123	−4,123	−32,871	.....	−32 871
Shawinigan Falls	3.75	300,000	150,000	450,000	45,300	6,444	6,444	−2,334	.....	−2,334
Sherbrooke	9.53	1,127,000	1,126,700	2,253,700	55,333	3,279	65,276	+1,124	.....	+1,124
Suburban Rapid Transit	21.02	100,000	500,000	450,000	64,307	.....	7,313	−27,996	18,174	−27,996
Sudbury, Copper Cliff Suburban	6.24	162.600	75.000	237,000	25,980	14,665	14,665	+4,304	.....	+4,304
Sydney and Glace Bay	.....	500,000	389,000	889,000	.....	.....	.....	.....	.....	.....
Three Rivers Traction Company	7.60	250,700	415,000	665,700	60,275	16,371	16,371	+644	.....	+644
Toronto Civic Railway	20.54	.....	2,082.737	2,082,737	249.505	32,989	32,989	−57,255	60,737	−117,992
Toronto Railway	127.43	12,000,000	4,684,633	16,684,633	6,081,604	2,677,758	2,767,758	+1,385,862	990,000	+395,862
Toronto Suburban	19.14	1,500,000	2,628,000	4,128,000	207.317	102,911	104,774	+46 230	560	+45.670
Toronto and York Radial	82.00	2,000,000	1,640,000	3,640,000	608,967	157,999	157,999	+10,932	.....	+10,932
Windsor, Essex and Lake Shore	29.15	.....	.....	.....	180,809	76,300	76,300	+17,249	.....	+17,249
Windsor and Tecumseh	.....	100,000	189,000	289,000	.....	.....	.....	.....	.....	.....
Winnipeg	110.20	13,380,000	5,000,000	18,380,000	2,103,344	657,834	1,212,663	+597,479	274,959	+322,520
Winnipeg, Selkirk & L. Winnipeg	40.69	500,000	653,200	1,153,200	131.920	41,159	57 364	13,873	11,764	2,109
Yarmouth	3.00	250,990	250,000	500,990	41.162	26,554	26,595	14,019	.....	14,019
Total	2,277.90	$70,606,520	$90,628.219	$161.234.739	$30,237,663	$10,196,985	$12,431,229	.....	.....	.....

PRINCIPAL PORTS OF CANADA

(Compiled from Official Reports.)

	Montreal.	St. John.	Halifax.	Vancouver.	Quebec.
Exports 1915	$ 83,489,321	$ 43,081,929	$ 16,067,405	$ 14,113,198	$ 6,739,109
Exports 1916	173,436,739	119,490,818	26,330,211	15,031,892	3,577,012
Exports 1917	374,725,224	186,259,101	33,088,233	16,773,161	14,751,235
Exports 1918	524,365,343	200,783,647	71,428,208	28,959,296	13,331,114
Totals	$1,156,016,627	$549,615,495	$146,914,057	$ 74,877,547	$38,398,470
Imports 1915	102,198,355	8,847,049	10,709,544	25,055,487	11,801,600
Imports 1916	129,139,817	11,057,022	9,873,309	19,956,534	11,945,964
Imports 1917	222,118,617	14,956,948	13,885,665	27,189,375	16,898,120
Imports 1918	204,818,415	16,787,150	13,150,766	40,974,260	15,573,367
Totals	$ 658,275,204	$ 51,648,169	$ 47,619,284	$113,175,656	$56,219,051
Grand totals	$1,814,291,831	$601,263,664	$194,533,341	$188,053,203	$94,617,521

Analysis of 70 Leading Stock Issues

Essential Facts Which Should Be Known by Investors Before Purchasing—Ratio of Assets to Liabilities and of Working Capital to Par Value of Stock—Average Income Applicable to Stock.

(Compiled by Greenshields & Co., Montreal, Que.)

COMPANY	1 Stock Outstanding 000's omitted	2 Ratio Current Assets to Current Liabilities	3 Ratio Net Working Capital to Par Value of Stock	4 Average Net Income Applicable to Stock for last 5 years	5 Percentage Earned on Stock in Last Fiscal Year	6 Percentage of same on Market price of Stock	7 Approximate Mkt. Price as of Sept. 15	8 Dividend Rate	9 Income Year	10 Dividend Dates	11 RANGE OF MARKET PRICE *1918 High	*1918 Low	1917-1913 High	1917-1913 Low
Preferred Stocks	$	%	%	%	%	%	%	%	%					
Ames-Holden-McCready, Ltd	2,500	259	80	5.1	12.1	18.6	65	*a*	....	.....	72½	47	80	52
Asbestos Corp. of Can	4,000	745	23	3.4	6.3	11.2	56	6	10.7	Feb. 15 Q	58	45	60	14
Can. Car & Fdry. Co	7,500	164	78	9.8	18.8	22.0	85	*b*	....	.....	92	49½	126	63
Canada Cement Co	10,500	690	35	14.6	23.1	24.5	94	7*c*	7.4	Feb. 16 Q	94	90	99	88
Canada Steamship Lines, Ltd.	12,500	107	2	(4) 10.9	18.1	24.0	76	7*c*	9.2	Jan. 1 Q	78½	76	95½	59
Canadian Cottons, Ltd.	3,661	146	36	13.8	19.5	25.7	76	6	7.9	Jan. 4 Q	76	76	82½	70½
Canadian Locomotive Co	1,500	183	57	26.6	39.2	46.0	85	7*c*	8.2	Jan. 1 Q	85	85	95	78
Dominion Canners Ltd.	2,290	203	74	16.3	30.2	43.8	69	7*c*	10.1	Jan. 1 Q	80	65	102½	65
Dominion Coal Co.	3,000	*f*	*f*	57.0	102.0	106.0	95	7*c*	7.2	Feb. 1 Q	95	94¼	112½	93
Dom. Iron & Steel Co.	5,000						97	7*c*	7.2	Apr. 1 Q	97	88	105	68
Dom. Steel Corp.	7,000	638	260	45.5	122.0	143.0	85	6*c*	7.0	Feb. 1 Q	86	84	92	81
Dominion Textile Co.	1,940	192	181	40.8	63.6	63.6	*m*100	7	7.0	Jan. 15 Q	100	100	106½	99
Illinois Traction Co.	7,289	101	0	12.5	14.7	18.4	*m*80	6*c*	7.5	Jan. 1 Q	80	80	91	79
Lake of the Woods Milling Co.	1,500	262	93	34.0	52.2	34.0	100	7*c*	7.0	Mar. 1 Q	100	100	122	115
Mackay Companies	50,000	*d*	*d*	8.6	8.8	13.6	65	4*c*	6.1	Jan. 1 Q	64½	60	73½	60
Maple Leaf Milling Co.	2,500	286	83	24.4	36 3	37.8	96	7*c*	7.3	Jan. 18 Q	95	94¾	97½	91¾
Montreal Cottons, Ltd.	3,000	258	69	12.7	13.9	14.0	99	7*c*	7.0	Mar. 15 Q	100	99½	105½	97¼
Nova Scotia Steel and Coal	1,000	638	101	111.8	134.0	130.1	103	8*c*	7.7	Jan. 15 Q	105	105	125	105
Ogilvie Flour Mills Co.	2,000	226	249	60.6	97.7	93.1	105	7*c*	6.2	Mar. 1 Q	100½	100	122	100
Penmans, Ltd.	1,075	246	246	50.7	76.7	92.4	83	6*c*	7.3	Feb. 1 Q	81½	81½	90	79
Riordon Pulp & Paper Co.	1,000	264	129	55.3	103.3	108.7	95	7*c*	7.3	Mar. 31 Q	95	95	96	92
Sherwin-Williams Co. of Can.	3,100	367	104	18.2	23.2	23.4	*m*99	7*c*	7.0	Mar. 31 Q	99	99	104	95
Spanish River Pulp & Paper	5,699	206	68	8.6	10.1	20.2	*m*50	*e*	...	.....	54½	50	97½	30
Steel Co. of Canada	6,496	397	159	34.2	63.7	65.7	97	7*c*	7.2	Feb. 1 Q	97½	89¾	108	68
Tucketts Tobacco Co.	2,000	473	88	8.9	10.0	12.5	*m*80	7*c*	8.7	Jan. 15 Q	80	80	101	80
Woods Manufacturing Co., Ltd.	1,546	238	102	21.7	35.0	40.7	*m*86	7*c*	8.1	Jan. 1 Q	86	86	94	73
Common Stocks—Public Utility and Miscellaneous														
Bell Telephone Co. of Canada	18,000	350	12	12.2	10.9	8.3	130	8	6.1	Jan. 15 Q	132	130	173	130
Braz. Tract., Lt. & Power	106,470	109	4	6.1	4.4	10.4	42	*g*	....	.....	46½	32	101	32
Canadian Pacific Ry.	260,000	323	17	13.7	15.9	9.9	160	10	6.2	Mar. 31 Q	173	135	266½	126
Canada Steamship Lines, Ltd.	12,000	107	2	(4) 5.8	10.8	24.5	44	....	....	.....	46¾	39¼	46¾	5⅝
Detroit United Ry. Co.	15,000	‡64	....	16.7	14 5	13.8	*m*104¾	8	7.6	Mar. 1 Q	104½	....	128½	62
Illinois Traction Co.	12,331	101	....	4.0	5.2	14.8	*m*35	*n*	8.6	Feb. 15 Q	35	35	68½	32½
Mackay Companies	41,380	*d*	*d*	5.6	5.8	7.7	75	6	8.0	Jan. 1 Q	78	74⅝	89	64½
Montreal L. H. & Power Cons.	63,965	258	8	*i*9.5	5.6	6.4	87	4	4.6	Feb. 15 Q	88½	68½	88½	68½
Ottawa Lt., Ht. & Pwr.	3,483	‡75	....	8.1	6.7	8.2	82	6	7.3	Jan. 1 Q	86	69	192	69
Quebec Ry., Lt., Ht. & Pwr.	9,999	‡43	....	....	0.9	5.3	17	....	....	.....	22½	15	45	9½
Shawinigan Water & Pwr.	15,000	325	15	8.5	9.2	8.0	115	7	6.1	Jan. 10 Q	116½	107	149½	110
Toronto Railway	12,000	‡51	....	11.2	9.1	15.2	*m*60	4	6.6	Jan. 1 Q	62½	60	148½	60
Twin City Rapid Transit	22,000	107	....	7.7	6.0	7.0	47	*p*	....	Jan. 1 Q	65¼	42½	109½	62½
Winnipeg Electric Ry. Co.	9,000	‡34	....	7.7	3.2	6.6	*m*48	....	....	.....	48	48	218	36
Common Stocks—Industrial														
Ames-Holden-McCready, Ltd.	3,500	259	59	....	3.7	14.2	26	....	....	.....	28	15	35	6
Asbestos Corp. of Can.	3,000	745	31	....	....	....	18	....	....	.....	25	15	24	5
Brompton Pulp & Paper Co.	7,000	602	26	....	*h*9.5	15.8	60	5	8.3	Feb. 7 Q	60	41¾	73	38
Can. Car. & Fdry Co.	4,963	164	119	9.9	17.9	53.0	34	....	....	.....	38½	18½	120	32
Canada Cement Co.	13,500	690	28	5.6	9.6	14.3	67	6	9	Jan. 15 Q	69½	57	72¾	25¾
Canadian Cottons, Ltd.	2,715	146	44	10.59	18.31	27.0	68	6	8.8	Jan. 4 Q	70	48½	70	24
Canadian General Electric	8,000	625	89	11.1	12.4	12.1	103	8	7.8	Jan. 1 Q	105	101½	132	91
Canadian Locomotive Co.	2,000	183	43	15.3	24.1	37.7	64	6	9.4	Sept. 20 Q	69	58	67½	29¾
Cons. Mining & Smelt. Co.	10,477	116	6	11.2	10.2	10.2	*m*25	10	10.0	Jan. 1 Q	26	25	43	30
Dom. Bridge Co.	6,500	169	28	20.7	18.2	14.4	126	8	6.3	Feb. 15 Q	128	123	237	107
Dom. Canners, Ltd.	2,794	203	61	9.3	19.0	44.2	38	....	....	.....	43	23¾	86	11
Dom. Steel Corp.	37,097	638	50	10.9	20.5	33.0	62	5	8.1	Jan. 1 Q	65	53	82	19⅞
Dominion Textile Co.	5,000	192	70	13.0	21.9	*j* 22.8	96	8	8.3	Jan. 1 Q	99	80¾	90	64
Laurentide Co.	9,600	392	49	12.2	17.7	9.8	180	10	5.5	Jan. 1 Q	183½	152	233	140
Lake of the Woods Milling Co.	2,100	262	71	19.5	33.3	22.2	150	12*x*	6.6	Mar. 1 Q	152½	120⅝	147¾	120
Lyall (P.) & Sons Constr.	1,750	166	31	6.3	13·2 *l*	16.5	80	8	10.0	Oct. 15 Q	83	62	93	16
Macdonald (The A.) Co.	3,000	144	30	2.9	5.3	2.8	19	....	...	.....	20½	13½	60	7
Maple Leaf Milling Co	2,500	286	83	17.4	29.3	23.4	125	10*x*	8.0	Jan. 18 Q	120	94	122	90
Montreal Cottons, Ltd.	2,949	258	70	5.7	7.1	12.5	57	4	7.0	Mar. 15 Q	58	50	63	49
Nova Scotia Steel and Coal *k*	15,000	638	67	15.1	8.4	12.7	*m*66	5	7.5	.....	71½	66	151	39½
Ogilvie Flour Mills Co.	2,500	226	199	42.9	72.6	38.2	190	12*x*	6.3	Jan. 1 Q	190	145	158	107
Penmans, Ltd.	2,150	246	123	22.3	35.3	44.1	80	6*x*	7.5	Feb. 15 Q	83	65	78	45
Price Bros. & Co.	5,000	402	48	11.0	18.5	13.2	140	8	5.7	Jan. 1 Q	142½	120	134	60
Riordon Pulp & Paper Co.	4,500	264	28	10.7	21.4	18.3	117	10	8.5	Feb. 15 Q	123	117½	150	59
Sherwin-Williams Co. of Can.	4,000	367	80	8.6	12.8	21.3	*m*60	....	....	.....	60	60	65	45
Spanish River Pulp & Paper	8,000	206	48	3.3	7.2	5.5	*m*13	...	....	.....	16½	13	72⅜	3
Steel Co. of Canada	11,500	397	90	16.1	32.0	44.4	72	6	8.3	Feb. 1 Q	74½	79¾	88	8½
Tucketts Tobacco Co.	2,500	473	70	1.5	2.4	1.64	*m*18½	....	....	.....	22⅜	18½	62	18½
Wayagamack Pulp & Paper	5,000	134	8	5.0	8.0	16.0	*m*50	....	....	.....	52¾	50	112½	21
Woods Manufacturing Co., Ltd.	1,718	238	92	13.4	25.2	30.0	85	7	8.2	Mar. 1 Q	95	57½	70¾	18
	1	2	3	4	5	6	7	8	9	10	11			

a Regular rate 7% cumulative. In arrears since July 1, 1914. *b* Regular rate 7% cumulative. In arrears since Jan. 25, 1915. *d* Detailed balance sheet not given. *c* Regular rate 7% cumulative. In arrears since July 1, 1913. *f* See Dominion Steel Corporation. *g* Dividend 6% to 1914, reduced to 4% 1915 and 1916. Last dividend paid, March, 1917. *h* On basis of 1½ years earnings. *i* Average 21 months. *j* Before allowing for war tax 1917-1918. *x* Company also paying a bonus. (4) Average earnings for four years only. ‡ Excess of current liabilities over current assets. *k* Company doubled capital in 1917. *l* Company earned 64.3% but appropriated $894,638 for the amortization of its munition plant and equipment. * Sept. 15. *m* Minimum price on Montreal Stock Exchange. *n* Dividend passsed May, 1918. *p* Dividend passed April, 1918.

FEDERAL AND PROVINCIAL FINANCE

War Has Produced Many Changes in Public Finance—Clear Division of the Taxation Field is Essential

By O. D. Skelton

For many years public finance has failed to receive in Canada its due share of public attention. In the twenty years of prosperity before the war, money flowed freely into the public treasuries, and few cared to inquire whether the taxation policies in force were the fairest or most efficient that could be devised, or whether the practice of lavish borrowing and guaranteeing private borrowers might not bring a speedy day of reckoning.

During the war a new attitude has been forced upon us. The Federal government has incurred a huge war debt, and faces heavy demands for reconstruction. Municipal governments have been reaping the fruits of loose methods of finance in the past, and also grappling with rising costs of administration. The provincial governments have been least hard hit, but they also are facing urgent new demands for road building, power extension and educational expansion, and that just when the rise of prices has made the appropriations for many existing activities inadequate. The tax gatherer will be very much with us in future.

The outlook is sobering, but by no means discouraging. The war and the efforts it evoked have brought compensations of no little weight. The whole world has had a revelation of the latent strength of a modern people, a revelation of the immense possibilities that organization and co-operation open up. Canada in particular has attained new confidence in her power to cope with her own needs. The task of finance is seen to be simple once production is well organized. A compensation of a more dubious kind lies in the cutting of our pre-war external debt practically in two, as a result of the tremendous rise in prices since 1914. So far as the $2,500,000,000 which we owed abroad is concerned, it will require little more than half the quantity of exports that was needed in 1914 to meet the claims of our creditors. This is, of course, simply one phase of that shifting of relations between creditors and debtors, between people on fixed salaries or fixed incomes from funded property and people earning wages or profits which are easily expansible, which has followed the inflation of prices and has thrown an undue share of war costs on the former classes.

Changes Wrought in Finance.

In federal finance, the first of the outstanding features of the past four years has been the success of the policy of seeking loans in Canada itself. The results have proved that Canada has alike great resources and the organizing capacity and financial machinery needed to utilize them. Apparently it will not be in the borrowing of money that our chief financial difficulties will come in the immediate future. The second feature has been the failure to meet an adequate share of the principal of the war expenditure out of taxes; fortunately a better showing was made in the last two than in the first two years of war. The third outstanding feature has been the recourse for the first time to direct taxation on an appreciable scale. Hard necessity has forced us to abandon our antiquated and unfair system of securing our whole federal revenue from customs and excise duties levied on consumption.

What of the future? The Dominion will be faced with the task of raising between three and four hundred millions a year. It is not likely that even if the United Kingdom led the way, recourse would be had in Canada, with its much less liquid wealth, to the expedient of a levy on capital as a means of reducing the treasury's task at one drastic stroke. More feasible and more essential are economy and efficiency, a rigid scrutiny of the relative necessity of the many projects of expenditure now being urged, and a revival by parliament of its neglected task of close check and review of all expenditure. Money can and must be found to meet our obligations to soldiers and lenders, to facilitate national development along the lines in which we have a natural advantage, and to stabilize employment; it should not be sought merely to create a fictitious and short-lived prosperity by spending for spending's sake.

As to the sources of future revenue, doubtless the tariff, however drastically revised, will continue for years to be the largest item. The business profits tax has yielded substantial sums at little cost of collection, and it conforms to the growing demand that exceptional profits should pay exceptional toll. At the same time it must not be forgotten that heavy profits taxes hamper expansion, discourage initiative, and, if graduated, bear no proportion to the real tax-bearing capacity of the individual shareholders in the companies taxed. Such taxes should be subordinated to a stiffly graduated and vigorously administered income tax, which will be levied on profits when they reach the individual shareholder, not when they are being used in large part for the extension of the business. As to special land taxes, if levied at all—and there is a strong case for a genuine unearned increment tax—they would properly fall to the provincial and local rather than to the federal treasury. One point which deserves attention is the question of retaining or extending the special excise taxes on luxuries. The experience of Britain and France in the near future with the taxes on the purchase of luxurious articles which they have recently imposed, will be of value, though it is obvious that any such tax, aside from its own merits or demerits, must be considered in its relation to the general scheme.

Provincial Methods.

In the provincial field, minor revisions, usually upwards, have been effected in the corporation taxes and succession duties of nearly all the provinces. Provincial taxes on places of amusement or their frequenters have become very popular with needy treasurers during the war. In 1915 Alberta completed its elaborate structure of land taxation by levying a provincial tax of one per cent. on the value of wild lands, exempting land farmed by a resident owner to the extent of 640 acres and tracts of which one-fourth has been cultivated in the preceding year. It found it necessary to retrace its steps in another section of this field, by an act passed in 1916 which permitted towns and villages to decide by popular vote whether they would again impose the taxes on improvements forbidden a few years ago. The east has also been experimenting, in mild fashion. In 1917 Nova Scotia imposed a tax of one per cent. on the capital value of all holdings of 500 acres or over, while in the same year New Brunswick imposed a tax of one cent an acre on wild lands, of the same extent, if owned by a resident of the province, and a higher tax if owned by a non-resident.

The most interesting development in provincial finance, however, has been the introduction by Ontario, Nova Scotia, Manitoba and Saskatchewan of provincial taxes levied on the municipal assessment of property or income, and collected through the municipal machinery. This marks an important departure from the prevalent Canadian custom of separating the provincial and municipal sources of revenue and tax-gathering machinery, and a corresponding approximation to the United States practice. The taxes, which vary from one to one and a half mills on the local assessment, have been levied for temporary purposes, to finance special provincial war or patriotic expenditures. It is doubtful, however, whether provincial treasurers will abandon after the war a source of revenue so fertile and so easy of collection, unless very strong objection is raised by the municipalities. If retained, and if made heavier in time, it will be necessary to consider methods of equalizing assessment throughout the province. In this connection it is interesting to note that in 1917 British Columbia provided for the establishment of a Board of Taxation, with duties similar to those of State Tax Commissions in the United States.

This brings up the very vital question of co-ordinating the taxes levied by the various authorities. Sir Thomas White's proposal for a conference between federal and provincial governments to arrange, if possible, a division of the field of direct taxation, is very opportune. This in turn would involve reconsideration of the present division of taxes between provinces and municipalities. Now when all our governments are facing thorough-going reconstruction of their fiscal methods and the whole taxation system is in a fairly plastic stage, is the time to endeavor to assign to each authority the sources of revenue best adapted to its machinery and its needs.

CANADA BUILT 381 SHIPS DURING WAR

Up to the end of November, Canada had built for Canadian registry during the war 199 sailing vessels of 44,135 gross tonnage, and 160 steamships of 69,612 total gross tonnage. For the Imperial Munitions Board Canadian shipyards built fifteen ships of 1,440 net tonnage each, and seven of 2,600 net tonnage.

The government is having forty-two ships built under contract, aggregating a total tonnage of 255,250 tons. Two of these have been launched. The total capacity of Canadian yards is 460,000 tons a year.

MINORITY SHAREHOLDERS

Old Rules of Law Placed All Powers in Hands of Majority—Law Has Been Relaxed to Give Better Protection

By Thomas Mulvey

It is implied in discussing the position of the minority shareholder that the company is successful. It is in the division of profits and control of the affairs of the company that the overbearing majority presses upon the minority in taking an unfair business profit even if their rights are not impaired. The minority shareholder is rarely the subject of compassion. He is usually regarded as a "kicker" or a noisy fellow who has lost in the game and deserves no consideration. Such may often be the case, but the courts are breaking down many of the strict rules of law which were considered in the early days of modern company law to be necessary for the effective management of companies. Many transactions which were upheld by the courts fifty years ago are now deprecated and discouraged. It often happens that the minority shareholder has the courage to assert his rights, and the development of company law is largely due to his litigation. This course of development is also promoted by decisions in winding-up proceedings where the salvage is sufficient to enable the liquidator to assert the rights of all.

A person purchasing real estate would not part with his money without a careful scrutiny of the title and a report from his solicitor. He knows full well the difficulties of real property law and he knows that his rights are well defined by decisions of the courts for centuries past. Joint stock companies are modern, and company law is still in the making. Unfortunately, many investors regard the company as a creature of the state and expect that the state will protect him, and this is done by those who know that the state creates the rights in real property and that nevertheless the state leaves the individual to assert his rights. This results in public clamor from time to time for the amendment of company legislation for the protection of the unwary and the assistance of those who because of their own lack of business foresight, find themselves overborne. Such legislation has been of little assistance. It offers false support to the unwary and many opportunities to the company manipulator.

However, there are two phases of the subject for consideration. First, the measures which the investor should take to protect himself from jeopardy as a minority shareholder, and, second, should he find himself in jeopardy, what are his rights and how should he defend himself.

Extent of Court Jurisdiction.

The modern joint stock company is a growth from the partnership. Notwithstanding this, the ordinary restrictions which are found in partnership articles are seldom found in the by-laws of the company. Many of them would afford the minority shareholder all the protection that is necessary. The main difference between the company and the partnership is that the majority rule the company under the by-laws, and unanimity is required in the partnership. There is further the rule laid down in the year 1843 in the case of Foss v. Harbottle, that the courts will not interfere in the internal management of the company, while in the partnership if the disputes between the partners are such as to jeopardize the partnership, the courts will dissolve it. Foss v. Harbottle will be further discussed to show that the late decisions of the courts, more particularly in the United States, are to break down the stringency of this rule.

How Minority Shareholder is Cheated.

It is unnecessary to study all the circumstances under which the minority may be protected, but a few may be mentioned and the remedy shown. The usual method of "freezing out" the minority shareholder is to withhold dividends, accumulate reserves and pay excessive salaries to directors and officers in control. Excessive salaries will be dealt with more fully in discussing the judgment in Hueblein v. Wight. The accumulation of reserves has been held by the Judicial Committee of the Privy Council in Burland v. Earle to be within the authority of the directors, and the courts will not interfere to direct the payment of dividends. In such circumstances the position of the minority shareholder is helpless. However, the by-laws of the company may be drawn so as to afford relief. It may be provided that on the annual inventory and valuation of the assets of the company and in preparing the annual report the profits of the company after writing off definite percentages for depreciation and obsolescence of plant and equipment, the amortization of discounts on bond issues and the making of necessary reserves for bad debts and future development which may be definitely limited, the surplus must be paid as dividends. Under such circumstances the courts would enforce the payment of dividends.

One difficulty presents itself. An overbearing majority could amend such a by-law. This difficulty may be met by inserting such a by-law as a special provision in the charter. Then an amendment could be made only by the issue of supplementary letters patent, which must be authorized by the vote of the holders of two-thirds of the allotted shares of the company. There is also a further protection. The issue of the supplementary letters patent is in the discretion of the Secretary of State, and if it were shown that the amendment was asked by a majority to serve their selfish purposes and not in the interest of the company, the Secretary of State would likely exercise his discretion in refusing the application.

Another method of "freezing out" may be taken in manipulating the affairs of the company so that there are no profits even with an elaborate method of valuation and accounting and provisions for reserves. This may be accomplished by the majority appointing themselves sales agents for the company, taking its profits at a price merely sufficient to enable it to carry on—the profits going to the sales agents. The majority may incorporate a subsidiary company for this purpose. This may be prevented as above indicated by adequate provision in the by-laws or the charter.

Another devious method of a majority is to nurse a profitable enterprise over the difficult times of flotation and development until it is shown to be profitable and then sell the undertaking to a new company managed in their own interest. Such a sale may be regulated by the by-laws and charter, and it may be provided that on any such sale all shareholders should have the right to participate in the shares of the new company.

Stock Dividends.

Another interim device is the issue of stock dividends. It should not be asserted that on all occasions stock dividends are not according to strict business methods. However, they merely diminish the value of outstanding stock. Where future manipulations are in the mind of the majority, they serve as the promise of future good things for the minority and create a greater disparity between the majority and minority. In the issue of stock dividends it should be remembered that unless they are authorized by the Act under which the company is incorporated, they cannot bind a dissenting shareholder. A dividend, when declared, is payable in cash, and a shareholder can insist on payment in cash and refuse to take the stock dividend. The usual method adopted where stock dividends are not authorized is to take a power of attorney from each shareholder authorizing the endorsement of the dividend cheque and the subscription for an equal amount of shares.

It would be interesting to consider each devious method of an overbearing majority and to indicate how it could be checked by apt provisions in the by-laws and charter, but sufficient is indicated to show that a business man when taking shares in a company may insist upon provisions for his protection. The necessary provisions may not all be foreseen and may not all perhaps be made, but safeguards render it more difficult for the majority to rule for their selfishness.

In preparing by-laws it may be considered sufficient to provide that certain by-laws may not be repealed or amended unless with unanimous consent or with the approval of a large majority of the shareholders. There is very much doubt about this. The Dominion Interpretation Act provides for majority rule in all Dominion companies, and there is a similar provision in the statutes of many of the provinces. The courts have held that a by-law may not be contrary to the provisions of the incorporating statute. It follows that a by-law requiring more than a majority may not be enforceable. The subject has not been dealt with by the Canadian courts. With respect to Dominion companies, however, the Judicial Committee of the Privy Council has recently held, in effect, in Canada National Fire Insurance Co. v. Hutchings, that a provision which may not be embodied in a by-law may, nevertheless, be inserted in the charter. As a matter of precaution, therefore, any by-law requiring a greater vote than a mere majority should be inserted in the charter.

There are many other methods by which the minority may receive protection. For instance, in the election of directors the Dominion Act provides that unless otherwise provided by the by-laws, each shareholder shall have one vote. This inferentially authorizes a by-law giving shareholders

more than one vote or taking away the vote altogether. For example, this may be a term in an issue of preference shares. But in voting for directors shareholders may be given as many votes as there are directors to be elected, introducing the cumulative voting system. By this means a minority may have representation on the board of directors.

Company manipulation is often carried on by the means of proxies, shareholders permitting themselves to be used as pawns in the game. Under these circumstances an active and persistent coterie may control a company to their own advantage. At common law a shareholder is not entitled to vote by proxy. The Act provides that by-laws may be passed authorizing proxies, which may be made subject to such terms as will afford some protection. For instance, the by-laws may provide that proxies shall not be given more than a limited length of time before the meeting; that they must be deposited; that they may not be given except for one particular meeting, and other limitations may be added.

Where Minority is Overruled.

The second topic for consideration is the condition of the minority shareholder when he has no safeguards in the by-laws or charter. The courts for many years have relied on the case above referred to, Foss v. Harbottle, as deciding that the internal affairs of a company should not be interfered with, that the majority rule prevails, and that if the courts did interfere such decisions could be immediately set aside by the decision of the majority in general meeting. While it may be that this rule in the main is effective in dealing with company disputes, it may be confidently asserted that the result of the decision in the case would be different if considered by the courts at the present time. The tendency at the present time is to set the rule in Foss v. Harbottle aside where a minority is overborne by the strict enforcement of the rule. A reference to a few decisions of the courts will show this.

One of the most recent and important cases on the subject is Burland v. Earle, in which the minority did not succeed in their contention. Nevertheless, a quotation from the decisions of the Judicial Committee of the Privy Council indicates the state of the law on the question discussed. "It is an elementary principle of the law relating to joint stock companies that the court will not interfere with the internal management of companies acting within their powers, and in fact has no jurisdiction to do so. Again, it is clear law that in order to redress a wrong done to the company or to receive moneys or damages alleged to be due to the company, the action should prima facie be brought by the company itself. . . . But an exception is made to the second rule, when the persons against whom the relief is sought themselves hold and control the majority of the shares in the company, and will not permit an action to be brought in the name of the company. In that case the courts allow the shareholders complaining to bring an action in their own names. . . . The cases in which the minority can maintain such an action are, therefore, confined to those in which the acts complained of are of a fraudulent character or beyond the powers of the company."

Later cases have extended the protection of the courts on behalf of the minority. This is undoubtedly true with respect to the decisions of the courts of the United States.

It is a matter of comment that in Canada, with the exception of three of the provinces, we have looked to the United States for our company legislation, while the courts have taken their inspiration from the English decisions. This has resulted in a condition which is not wholly satisfactory.

The question of minority rights is further illuminated by another important decision of the Judicial Committee of the Privy Council in North-West Transportation Company v. Beatty. "Unless some provision to the contrary is to be found in the charter or other instrument by which the company is incorporated, the resolution of a majority of the shareholders, duly convened, upon any question with which the company is legally competent to deal, is binding upon the minority, and consequently upon the company, and every shareholder has a perfect right to vote upon any question, although he may have a personal interest in the subject-matter opposed to or different from the general or particular interests of the company. On the other hand, a director of a company is precluded from dealing, on behalf of the company, with himself, and from entering into engagements in which he has a personal interest conflicting, or which possibly may conflict, with the interests of those whom he is bound by fiduciary duty to protect; and this rule is as applicable to the case of one of several directors as to a managing or sole director. Any such dealings or engagement may, however, be affirmed or adopted by the company, provided such affirmance or adoption is not brought about by unfair or improper means, and is not illegal or fraudulent or oppressive towards those shareholders who oppose it. . . . It would be very undesirable even to appear to relax the rules relating to dealings between trustees and their beneficiaries; on the other hand, great confusion would be introduced into the affairs of joint stock companies if the circumstances of shareholders, voting in that character at general meetings, were to be examined, and their votes practically nullified, if they also stood in some fiduciary relation to the company."

Example of Canada and New Zealand.

There can be no doubt but that these are the rules of law defining the control of a majority in the affairs of a company. Nevertheless, in other jurisdictions more equitable rules are laid down. It may be fairly stated that in the United States and in New Zealand, as indicated by the cases hereafter referred to, the rule may be stated as follows: where the majority is acting within their authority and bona fide in the best interests of the company, the courts will not interfere. But if the interests served are rather these of the majority, and the best interests of the company are disregarded, the courts will interfere. This rule is emphasized in the United States in the cases of dominant and subsidiary companies, and it has been there held that the minority shareholders of a subsidiary company can exact the highest degree of fair dealing from the dominant company. Authorities on the relations between dominant and subsidiary companies are not to be found in the reports of cases in the United Kingdom. It may be that this kind of corporate activity is not as prevalent there as in Canada and the United States. Under these circumstances the decisions of the United States on this subject should receive favorable consideration from the Canadian courts.

A most important decision is that of a New Zealand court in Miles v. The Sydney Meat Preserving Company, Limited. The company was formed for the sale of preserved meat, fish, vegetables, etc. The greater part of the shareholders were graziers, and the directors, supported by a large majority of the shareholders, converted the company practically into a graziers' protection society; that is to say, instead of carrying on the business so as to make profits by dealing in meat and other animal products and distributing these profits in dividends, they managed the company to keep up the price of stock—their modus operandi being to give prices at auction sales of stock above those at which they might have purchased and thereby benefit the grazier shareholders in the concern. This was a clear fraud on the non-grazier minority. It was argued that it was a mere question of internal administration in which the majority had a right to control the policy of the company; but it was far more than that. The directors, as Simpson, C. J., said: "Were not carrying out the purposes for which the company was formed, but were using the machinery and property of the company for purposes of an entirely different nature—to keep up the price of stock in the interests of the greater majority, disregarding the making of profits altogether." . . . .

. . . "And this, no directors, even though backed by a majority of shareholders, can do. The powers given to directors by the constitution of a company, as Wickens, V.C., long ago pointed out in Pickering v. Stephenson, however absolute in terms, are always to be construed as subject to a paramount and inherent restriction that they are to be exercised in subjection to the special purposes of the original bond of association. 'This,' said the Vice-Chancellor, 'is not a mere canon of English municipal law, but a great and broad principle which must be taken, in absence of proof to the contrary, as part of any given system of jurisprudence.'"

A superficial criticism of this case would be that it made no advance in the law and that it merely applied the doctrine of ultra vires—that the directors of the company were carrying on transactions which were outside the scope of the business of the company. A study of the judgment shows that this is not its basis. The transactions complained of were within the objects of the company as set out in its charter. The basis of the decision is that the directors were using their authority not in the interests of the company, but in the interests of a coterie of the shareholders. This was held to be a fraud on the minority.

Control of Officers' Salaries.

A recent case of great importance is Wight v. Heublein decided by a Circuit Court of Appeals, a federal court of the United States, on appeal from a district court. The majority in control increased their salaries as follows: $15,000

to the president, $7,500 to the secretary, and $4,200 to a sales agent. This was done at a time when the business of the company was not expanding and when the duties of these officers had not increased. The result of the decision can best be given by copious extracts from both the judgment at first instance and on appeal.

(1) "It has been asserted on behalf of the defendants that, whatever may be the opinion of the judge in this case as to the reasonableness of the salaries which the corporation fixed for its officers, he may not interfere. The courts, it is true, cannot run the internal affairs of corporations. If a majority of the stockholders of a corporation, in a matter in which their individual pecuniary interests are not in conflict with those of their company, acting honestly and in good faith, decide that certain salaries shall be paid, or certain expenses incurred, their judgment is ordinarily final, and may not be reviewed by the courts, however unwise or mistaken the individual judge or judges who hear the case may think them to have been. On the other hand, there is no question that the courts may interfere if salaries are fixed in conscious bad faith, with intent to despoil the minority stockholders."

(2) "The question here presented is, however, different from either of those supposed. Here the officers of a corporation themselves own the majority of its stock, and constitute a majority of its board of directors. They themselves alone assumed over the protest of some of the minority stockholders to fix the value of their services, and have appropriated the company's money to pay for them at the figure so determined. Such valuation, moreover, seems to the court to be one far above any which a disinterested man might reasonably and honestly put upon them. Under such circumstances, is the decision arrived at by these officers, when acting as judges in their own case, conclusive? It would seem that it should not be necessary to cite authorities to justify a negative answer. When the question has been squarely presented, it is believed that such answer has always been given. . . . Some of the courts have said that the action of officers in voting salaries to themselves was void; others, that it was good until challenged, but, when the challenge was given, the burden of showing the reasonableness of the salaries voted upon was upon the officer; and still others have perhaps assumed that it would be held justified until shown not to be so."

"In this case it is unnecessary to enquire which is the true rule. Tested by any one of the three, the salaries complained of cannot be sustained. For the defendants it is urged that, whatever the law is as to votes raising salaries, the courts have no jurisdiction to require, at the request of a minority stockholder, the reduction of salaries which were paid before any complaint against them was made, and which have been, to the knowledge of such stockholder, paid for many years without his asking legal redress."

"It is obviously not the province of a court of equity to act as the general manager of a corporation or to assume the regulation of its internal affairs. If the chosen directors, without interests in conflict with the interest of stockholders, act in good faith in fixing salaries or incurring other expenses, their judgment will not ordinarily be reviewed by the courts, however unwise or mistaken it may appear; but this is far from saying that equity will refuse to redress the wrong done to a stockholder by the action or policy of directors, whether in voting themselves excessive salaries or otherwise, which operates to their own personal advantage, without any corresponding benefit to the corporation under their control. In this case the Wights own a majority of the stock and constitute a majority of the board of directors; and they have continued the salaries in question against the repeated protest of Heublein, and in the face of waning prosperity and unpromising future. It is quite evident that they have long regarded this business as a purely family affair, with which no outsider, not even a minority stockholder, should be permitted to interfere. This attitude of mind, perhaps in large degree unconscious, may minimize the moral delinquency of their acts, but it cannot serve to avert the legal consequences of what they have done."

Control of Contracts.

A decision of greatest importance with respect to the rights of minorities is Cook v. Deeks. The facts are complicated but may be summarized as follows: The plaintiff held one-quarter and the defendants three-quarters of the issued capital of The Toronto Construction Company, Limited. The plaintiff and two of the defendants composed the board of directors. Several important construction contracts were successfully carried out for the Canadian Pacific Railway. Subsequently there was a disagreement and the defendants resolved, without communication to the plaintiff, that no further contracts should be taken by the company, and that they were to endeavor to obtain them on their personal behalf. The decision proceeds: "There was nothing to compel them to work with or for the plaintiff, and it is impossible to see that they were bound to continue their relationship with him by any legal or moral consideration. They were, however, involved with him in different reciprocal duties, by reason of their relationship in connection with the Toronto Construction Company, and if they desired freedom to act, without regard to the restrictions that those relationships imposed, it was necessary that they should terminate their position as directors and shareholders in the company and place it in dissolution. . . . While still retaining their position as directors, while still actually acting as managers of the company, and with their duties to the company, of which the plaintiff was a shareholder, entirely unchanged, they proceeded to negotiate with Mr. Leonard for the new Shore Line contract, in reality on their own behalf, but in exactly the same manner as they had always acted for the company, and doubtless with their claims enforced by the expeditious manner in which they, while acting for the company, had caused the last contract to be carried out."

The contract was let to the defendants and immediately thereafter at a meeting of the directors of The Toronto Construction Company at which three of the defendants were present, it was resolved to call a meeting of the shareholders to consider a voluntary liquidation of the company. At the meeting of the shareholders a resolution was passed owing to the voting power of the defendants approving the sale of the plant of the company to a new company incorporated to take over the contract obtained by the defendants and a declaration was made that the company had no interest in the Shore Line contract.

The decision proceeds: "Two questions of law arise out of this long history of fact. The first is whether, apart altogether from the subsequent resolutions, the company would have been at liberty to claim from the three defendants the benefit of the contract which they had obtained from the Canadian Pacific Railway Company; and the second, which only arises if the first be answered in the affirmative, whether in such event the majority of the shareholders of the company constituted by the three defendants could ratify and approve of what was done and thereby release all claims against the directors." "If, as their Lordships find on the facts, the contract in question was entered into under such circumstances that the directors could not retain the benefit of it for themselves, then it belonged in equity to the company and ought to have been dealt with as an asset of the company. Even supposing it be not ultra vires of a company to make a present to its directors, it appears quite certain that directors holding a majority of votes would not be permitted to make a present to themselves. This would be to allow a majority to oppress the minority. . . . In the same way, if directors have acquired for themselves property or rights which they must be regarded as holding on behalf of the company, a resolution that the rights of the company should be disregarded in the matter would amount to forfeiting the interest and property of the minority of shareholders in favor of the majority, and that by the votes of those who are interested in securing the property for themselves. Such use of voting power has never been sanctioned by the courts, and indeed, was expressly disapproved in the case of Menier v. Hooper's Telegraph Works."

The objecting minority shareholder usually finds that he alone is not oppressed. There may be others in the same position. In fact his is only the resulting oppression. It is the company which is unfairly dealt with, and as a consequence his profits are diminished. It was formerly held that under such circumstances the company alone could assert the rights which were infringed. This added to the difficulty of the minority. The majority in control for their own purposes would take no action on behalf of the company. This rule was relaxed to the extent that where the action of the majority was illegal a single shareholder could assert the rights of the company and bring the matter before the courts as a defendant. The rule has been further relaxed so that where the minority have demanded their rights and were refused by an overbearing majority the minority may assert their rights before the courts.

The Reid Newfoundland Company have struck coal of good quality on the island, and it is expected to shortly develop the mines to the fullest extent.

Changes In Mortgage Investment Conditions

Owing to High Prices for Agricultural Produce, Farmers' Credit Has Been High—Lender Demands Better Rates—City Conditions

By JOHN APPLETON

DURING 1918 the demand for loans on the security of farm properties in Canada did not decline as might well have been expected in view of the exceedingly prosperous agricultural conditions. In certain parts of the western provinces, the crop was disappointing due to the very unusual occurrence of a frost on July 25th, and from the districts thus affected many applications for loans are being received.

The characteristic of these applications is that in so many cases the loans are required for current operations such as the acquisition of cattle and provision of seed which would indicate that the farmers are depending to a greater extent than hitherto upon the services of mortgage lending institutions. The money required, however, has not been in such volume as to affect the rate of interest which the borrower is willing to pay. As a matter of fact since the outbreak of the war, the tendency of the borrower on the whole has been to ask for somewhat lower rates, due entirely to a very definite realization on his part that the increase in the price of everything produced on the farm would remain for some years. The official index figures indicating the prices of the chief field products show an increase of over 100 per cent.

The price of grains and fodders, taking the average price prevailing in the period 1890 to 1899 as 100, we find that in September, 1914, at the commencement of the war, an index price of 169.9, and in September of the present year of 293.4. Animal, meat and dairy products similarly advanced in price.

Have Increased Production.

In response to earnest public appeals for greater production, the farmers did their best. There is no question but that the work on the land was done by those permanently engaged in farm work, and it was this class who profited largely by the advancing prices. No doubt if government regulations had not taken place, the advance would have been greater. To the credit of the borrowers on security of farm lands it should be recorded that they co-operated with the government and did not in any way object to regulations which it was considered would assist in the prosecution of the war.

In the period of advancing prices of which the crest was reached in the year just closed, the farmers have been able to take care of their obligations promptly and in many cases effected a substantial reduction of them. Under such circumstances higher rates were out of the question.

Pressure from Investors for Higher Rates.

On the other hand the cost of obtaining funds to invest in farm mortgage lands has advanced materially, and there is no immediate sign of any change in this respect. Provincial governments and municipalities have been held under restraint as to capital expenditure for a considerable period and in the meantime have obtained temporary advances from the banks and from the Dominion government. The collective requirements of these bodies will no doubt result in the market having to absorb large issues as soon as conditions favor them and it is not likely that the investing public will be satisfied with yields less than they are getting at the present time knowing that abundant opportunities will present themselves and of which they can take advantage. The position of the companies insofar as the enlargement of the margin from which profit is available is concerned, has therefore, as a result of the war, not been improved. In the face of an improved credit position on the part of the borrower, they have had to yield to the demands on the part of the investor for returns in accordance with market conditions.

British Investors.

In the United Kingdom, the British Government is still paying a high price for its funds and investors there who have always favored Canadian loan company debentures felt obliged to support their war loans as a first duty. It would not be unreasonable to expect that when peace settlement is made and the responsibility, of a financial character, of Germany and other enemy countries, is determined, funds will again be available on the British market at slightly better terms than at present.

Doubtless when again resuming investments in Canada, Britishers will pay some heed to the character of the changes in legislation which have been made quite recently in Canada. There has been manifested a tendency on the part of the governments of the prairie provinces to co-operate with the lending institutions. An evidence of this is the joint arrangement arrived at in regard to the provision of funds to farmers suffering from unfavorable weather conditions for the provision of seed grain. The companies advancing additional moneys for that purpose are empowered to add the additional advance to the principal of their mortgage. This is a very great improvement upon the arrangement in 1915 under which the provincial governments consented to the passing of necessary legislation enabling the Dominion government to provide seed and take as security for such advance a lien prior to existing first mortgage. The protest raised against this action by investors generally has had a very salutary effect.

Apart from the relations between the governments and the lending companies in the matter of seed grain, there has been a greater co-operation and a better understanding as to other matters involving the passing of important legislation, a tendency which no doubt will materially assist in establishing greater confidence in mortgage investments.

Town and City Mortgages.

So far reference has been made only to farm mortgages. In urban areas there has been a limited amount of investment upon mortgage security. The high cost of building materials and of labor tended to discourage house construction and also made it undesirable to make mortgage advances on the basis of values determined at prevailing costs. Another consideration not to be overlooked is the increasing rate of municipal taxation. Taking care of arrears of taxes by mortgages has been more prevalent than is desirable in 1918, though not to a greater extent than in the immediately preceding years. The difficulties of municipal financing and stagnation in the real estate market coupled with the restrictions as to new issues evoked by the Dominion authorities has had a sobering effect upon municipal administration. Some of the provincial governments have strengthened and have in contemplation measures for improving and making more effective their supervising bodies. Special investigations have been made into the incidence of taxation which disclosed not only inequalities but also the dangers of excessive burdens of that character. A period of house-cleaning is in progress which will, it is hoped, make conditions more attractive for the investors.

Taxes Too Heavy.

In a report issued in December by a commission appointed by the city of Toronto, municipal taxation is referred to as being one of the factors retarding the investment of capital in house construction. The commission finds that the advocates of municipal house building do not stop to demonstrate how it can be done without increasing the load of the already heavily burdened taxpayer. The statement is significant because it is made over the signature of the chief permanent officials of one of the leading cities on the continent. Further commenting upon conditions as they affect investments, the article says:—

"Nothing else can restore confidence, credit and stability in house property as a sound security for investment."

It is quite evident that those responsible for municipal conditions are now looking upon urban developments with a view to arranging them so as to insure the confidence of investors.

A permanent monument in the form of a long pavement extending along Milton Street to Green Street and to the Grand Trunk tunnel depot, as laid this last fall by the Warren Bituminous Paving Company of Toronto for the Imperial Oil Company, Limited, of Canada, was on the part of the latter formally presented to the city of Sarnia on December 19th.

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LOCAL FINANCING IN SASKATCHEWAN

Borrowing Small in 1918, But Prospects are That Much Delayed Financing Will Soon be Necessary

By S. P. Grosch.

According to an Order-in-Council published in the Canada Gazette, December 22nd, 1917, it became necessary to obtain a certificate of approval from the Minister of Finance, Ottawa, before municipal or other securities, as therein specified, could be issued or offered for sale. The object of the order was to conserve the investment market to facilitate the borrowing of money for the prosecution of the war.

As a result of the order, and the scarcity and high cost of labour and material and the cost of obtaining money, the authorizations of the local government board have been less in amount than during any other year since its inception. This will be seen by examining the comparative statement, given below, of the amounts authorized by the board since 1914. The period of 11 months is adopted as figures for the month of December, 1918, were not available at the time of writing.

	1914, 1st 11 Months.	1915, 1st 11 Months.	1916, 1st 11 Months.	1917, 1st 11 Months.	1918, 1st 11 Months.
Cities	$4,299,467	$ 739,012	$ 150,376	$ 87,082	$ 429,582
Towns	600,483	307,772	102,500	87,061	55,128
Villages	116,300	94,850	63,150	83,200	14,550
Rural Municipalities	154,500	62,000	11,000	63,000	31,471
Schools	1,051,100	613,675	520,560	527,445	507,070
Rural Telephone Companies	949,100	1,133,450	1,902,125	3,190,725	783,676
Totals	$7,170,950	$2,950,759	$2,749,711	$4,038,513	$1,821,477

The amount of work undertaken is even less than is indicated in the statement showing the comparative amounts borrowed, as the high cost of the work which was done required the borrowing of larger amounts than in previous years to assure its completion.

Telephone Issues

The construction of rural telephone lines was curtailed by the provisions of the Order-in-Council to a considerable extent as appears in the comparative statement. Numerous extensions to existing systems are contemplated for the coming year, and considerable work which was postponed will be proceeded with once the necessity for the order-in-council no longer exists. The scarcity and high cost of labour and material still exist and these will be deterrent factors to a certain degree.

The order-in-council respecting municipal securities has now been repealed, but still remains in force in so far as companies are concerned. Some increase in borrowings may be contemplated. Municipal officials generally are aware of the fact that for the immediate future only works of necessity should be undertaken and keeping this in mind the increase should not be marked.

School Districts.

The Department of Education is continuing an aggressive policy in an endeavor to bring schools within reach of children in even the outlying and sparsely settled portions of the province. The establishment of 125 new school districts has taken place during the first 11 months of the present year. New school buildings will be required for these districts. New buildings and extensions will be required in a number of the existing districts. A demand for residences for teachers in rural districts is noteworthy. All these requirements will call for additional capital and the issue of debentures.

The amendment of the Village Act with respect to assessments now makes it compulsory for village councils to assess lands, buildings and improvements up to 60 per cent. of their value, personal property and income. This will mean that 81 villages which were assessing land values only will now receive taxes from improvements, personal property and income in addition to taxes from lands. Some villages were finding it difficult to finance on revenues received largely from taxes on land only. The present method should more adequatedly provide the necessary revenue for efficient village administration.

The local market for municipal, school and rural telephone company debentures continues to improve. It is anticipated that during the coming year a considerable portion of the issues authorized by the local government board will be taken up within the province and not placed on the eastern market, as has been largely the case in past years.

CANADA'S 1918 VICTORY LOAN

Largest Single Issue Ever Floated in Canada—Subscriptions $95.50 per Capita—Over One Million Applications

The final figures for the 1918 Victory Loan have not yet been issued, but those herewith given are practically correct.

The subscription period was from October 28th to November 16th inclusive, or a period of three weeks. The total officially asked for was $300,000,000, but subscriptions to the amount of $500,000,000 were expected. About $690,000,000 was altogether received but subscriptions of over $500,000 were not allotted in full. This is Canada's fifth domestic war loan. It is only the last two, however, which have been known as Victory Loans.

The following are the totals for the successive loans in Canada:—

First war loan, November 22nd, 1915	$103,729,500
Second war loan, September 12th, 1916	201,444,800
Third war loan, March 12th, 1917	260,768,000
*Fourth war loan, November 12th, 1917	419,289,000
*Fifth war loan, October 28th, 1918	689,016,877
Grand total of Canada's war loans	$1,674,248,177

*1st and 2nd Victory Loans.

The following table compares subscriptions to the two loans and gives the subscriptions per capita to the present loan, the figures being based upon the 1911 census of population:—

Province.	Subscription 1917 Victory Loan.	Subscription 1918 Victory Loan.	*Subscription per capita 1918.
British Columbia	$ 18,814,700	$ 36,633,927	$ 93.34
Alberta	16,515,150	18,999,250	50.71
Saskatchewan	21,777,050	26,071,450	52.94
Manitoba	32,326,600	44,030,700	96.64
Ontario	204,185,400	329,682,950	130.66
Quebec	94,287,250	180,363,450	90.05
New Brunswick	10,463,350	17,002,550	48.03
Nova Scotia	18,588,150	33,221,550	67.47
Prince Edward Island	2,331,350	3,011,050	32.12
Grand total for the Dominion	$419,289,000	$689,016,877	$95.57

*Population 1911 census.

The following statement compares the number of subscriptions in the case of the two Victory Loans:—

	1917. Applications.	1918. Applications.
British Columbia	50,563	80,315
Alberta	61,690	56,813
Saskatchewan	74,570	77,323
Manitoba	78,626	86,792
Ontario	403,541	518,129
Quebec	128,174	161,813
New Brunswick	26,436	31,957
Nova Scotia	45,438	61,040
Prince Edward Island	5,293	5,406
Total	874,331	1,079,588

Mr. S. E. Watkins, manager of the Toronto factory of Canadian Fairbanks-Morse Company, Limited, advises that at a meeting of the board of directors it was decided that as the government has no further use for their extensive manufacturing facilities they would proceed as rapidly as possible with the manufacture of the lines for which the factory was originally built.

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CANADA'S PLACE IN RECONSTRUCTION

Our Problem at Home, and How We Can Help Rebuild Devastated Europe

By Sir John Willison

Comprehensive trade organization is essential if Canada is to compete successfully in the world trade struggle. In Great Britain, the United States, France, Japan, Italy, and the Central Empires, organization, co-operation and combination are outstanding features of financial, industrial and commercial preparations. In the United States, over 350 trade groups have been organized by the United States Chambers of Commerce in co-operation with the War Industries Board. Through such group organization representative industrial units have been created. Manufacturers engaged in common enterprises have learned the value of co-operation and standardization. Costs of production have been lowered, unnecessary styles have been eliminated and output has been increased. This group organization and war experience will be of great value in the reconstruction period both in the development of domestic and of foreign trade. Already considerable advantage has been taken of the Webb-Pomerene law which permits combinations for export trade, fifty corporations or associations having filed statements with the Export Trade Department of the Federal Trade Commission. Congress is to be asked to alter certain provisions of the Act in order to give American exporters greater freedom in marketing their products in foreign countries.

In Great Britain, group organization is even more marked than in the United States. The Federation of British Industries, which has been created to stimulate exports, has adopted a constitution by which British industry is divided into seventeen main groups. Each group represents a main industry or a closely allied group of industries. These groups again are split into sub-groups and sections, thus creating real commercial units for associated industries and particular trades. In addition to this Federation of British Industries, the British Manufacturers Corporation is being organized for export purposes with a membership of approximately one thousand manufacturers and a capital of $1,000,000. The British Empire Producers Organization proposes the establishment of an Imperial Bank of Industry with a capital of $200,000,000 to further production and industrial development throughout the Empire. The British Trade Corporation has been established under Royal Charter, with a capital of $50,000,000, to assist in the development of British trade and industry. So, in France, such industrial organization is pronounced.

Function of the Government.

Group buying and selling through government agencies will be largely a feature of the reconstruction period. By the establishment of Canadian Trade Commissions at Ottawa and London and the Economic Mission to Siberia, the Government has taken necessary action towards the creation of essential government trade agencies, but advantage cannot be taken of such governmental machinery without group industrial organization in Canada. Such organization will give Canada the advantages of an unequalled export market. In place of the shell orders to a total of $1,200,000,000 executed by Canadian factories and workers, the reconstruction demands of Europe present a market far in excess of that amount. The needs of France, of Belgium, of Italy, of Russia, of Serbia and of Roumania for materials to rebuild devastated areas and restore normal conditions, are enormous.

It is estimated that the reconstruction bill of France alone will total $10,000,000,000. She is reported to be in the market for 400,000,000 pounds of copper. Capt. Dulieux, officer of the French Commission to the United States, estimates her immediate steel requirements at 8,000,000 tons. M. Andre Tardieu, General Commissioner for Franco-American affairs, fixes her total requirements of pig iron at 2,000,000 tons. M. Tardieu also states that no less than 350,000 homes have been destroyed in France. In Great Britain, $450,000,000 or $600,000,000 will be needed to correct the housing shortage and $300,000,000 to renew the highways. There have been very large losses in live stock and agricultural equipment. Among the tremendous quantities of materials required for the French state railways are: wheels for locomotives, freight and passenger cars, straight and bent axles, iron fittings, spare parts for freight and passenger cars, cast iron and cast steel lubricating boxes, locomotive steam cylinders, rails, bars, spikes, cut and wire nails. In the month of September alone, inquiries were received at the French Chamber of Commerce in Montreal for such miscellaneous articles as: shoes, hardware, lumber, foodstuffs, canned goods, prepared furs, glassware for electric light, lard, bacon and smoked ham, toys, maple syrup, and tree felling and cutting machines.

There are also great reconstruction demands in Belgium, Italy, Russia, Roumania and Serbia. These demands are creating an unparalleled market for lumber, for agricultural and textile machinery, for electrical machinery and equipment, for machinery in the mining, wood-working, furniture, chemical and paper-making industries, for building supplies, and for railway and road-bed materials. In addition to this, Russia requires stumping machinery, news and printing paper, marine gas engines, saw-mill equipment, hoists and other machinery of particular interest to Canadian manufacturers on the Pacific coast. Siberia will buy threshing machines, portable engines, flour mill machinery, cream separators, farm wagons, hardware and tools, sewing machines, asphalt, tar, belting, cattle, eggs, binder twine, toys, condensed milk, fresh meat, salted and smoked meat, paraffin, ploughs, potash, soda, tanning material, vegetable oils and woollen manufactures.

Outside of the warring countries, China wants woollen textiles, hosiery, underwear, leather. She needs railway coaches, trucks and other materials. She offers a ready market for the lumber of British Columbia. She needs such miscellaneous articles as paper (particularly news-print), soap, doors, barrel-staves, tea boxes, condensed milk, canned fruits and vegetables, butter and cheese. There is no reason why Canadian industry, properly organized, should not share greatly in the reconstruction orders of the old world, nor why a great trade should not be established between the Pacific coast, Russia and the Far East.

COMMERCIAL TRAVELLERS HOLD ANNUAL MEETING

Members of the Dominion Commercial Travellers' Association gathered at the Windsor Hotel, Montreal, for their annual meeting on December 14th, under the presidency of Mr. Romeo Brosseau. The reports submitted showed an increase in membership, the number at the end of the fiscal year being 8,536, the highest figure in the history of the organization. Against this, however, there was a record list of deaths, which was attributed to the recent epidemic of influenza. This had resulted in death claims amounting to $96,575.

It was stated by the president in his address, that 268 of their members had joined the colors, of whom thirty had been killed or died in action. A sum of $3,000 was voted to cover the annual dues of all members who were serving with the forces.

CANADIAN FINANCING IN THE UNITED STATES

Bond dealers in the United States look forward to an active business in Canadian securities in the near future. "Canadian securities," said Mr. J. A. Reif, manager of the bond department of the Provident Savings Bank and Trust Company, Cincinnati, to *The Monetary Times* recently, "for the past eighteen months, have been in little demand in the United States, brought about by the unprecedented government financing which the investing public was called upon to subscribe to, also by reason of the heavy income taxes assessed upon the income of all foreign securities. The events in the last two years, however, have brought a closer alliance between the two countries, and when the difference of exchange rates is again adjusted Canadian government and municipal securities should be in more active and greater demand than heretofore in the markets in the States."

Mr. R. M. Grant, of R. M. Grant & Company, of New York, who have dealt extensively in Canadian bonds, think that the question as to whether Canadian bonds will be popular in the United States market depends upon the rate which they yield. This again will be determined by the rate at which Great Britain is prepared to lend to Canada. "If Great Britain and Scotland," says Mr. Grant, "invest to such an extent as to place these Canadian debentures at a low interest yielding return, the United States market would not compete for them. On the other hand, if the Dominion lacks the 'over the seas market' and has to rely on financing herself, this can only be done at comparatively high interest rates, which rates would make Canadian securities attractive to United States investors. The matter therefore resolves itself into what the English markets can do."

Cable Address, *"Nanton, Winnipeg."*

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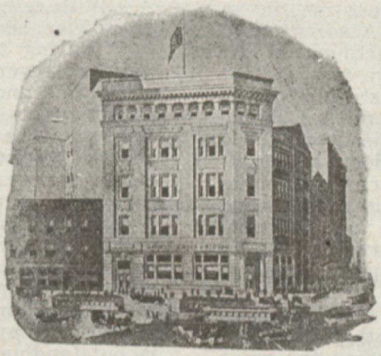

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WAR TAXES AND BUSINESS

How the Profits Tax Has Brought About Conservatism in Preparation of Financial Statements

By John Parton, C.A.

It may seem remarkable that any good may be found in what would be considered generally as a drawback to business. The old adage, "Out of evil cometh good," however, is as true as any ever spoken. We can even find, apart from the good of overcoming the German forces and ideas and all that they represent, many good things that the war has brought to us; notably the better understanding we have with our sister nations, and the inevitable feeling of future security and peace.

Mr. R. W. Breadner, Commissioner of Taxation, in an address given recently before the Dominion Association of Chartered Accountants, said, "Prior to the enactment of this Act many firms and companies, some quite large ones, did not have a regular accounting period, and their systems of bookkeeping were very poor." Mr. Breadner's position should enable him to speak with authority on this subject, and every Chartered Accountant in the Dominion will endorse his statement. Since the passing of the Act, however, bookkeeping methods have been improved to a tremendous extent; and those businesses which have given attention to their accounting records in consequence of the tax have learned to realize their value, thus there is no doubt as to the permanence of the change.

This in itself is not only of benefit to the individual, but to the whole community. It is a notable fact that whenever statistics of business failures are gathered together, the great majority of them are businesses which lacked proper accounting methods. The keeping of proper books will not of itself prevent business failures, but it does enable the manager or proprietor to keep in touch with the finances to such an extent that in most cases actual insolvency could be avoided by winding up before matters came to their worst; and in businesses which are successful in spite of bad bookkeeping, proper methods will contribute to their greater success. The more widespread the use of correct accounting principles, the greater will be the commercial prosperity of the whole Dominion.

There is, however, a still greater community benefit resulting from the imposition of the special war taxes, in that business has been more stabilized, and placed on a sounder footing. In the old halcyon days before the war, when "booms" were frequent, and money easily made (and lost), the optimistic outlook of many people obscured many of the finer points in accounting. Everyone (almost) was anxious to attain big results—"big figures." The very important item of depreciation, for example, was often ignored; and if an auditor was employed, when he brought up the point he would usually be met with a line of argument to show why the particular assets in question not only had not depreciated, but had actually appreciated in value! Again, many business men could not be convinced of the desirability of making allowance for the possibility of bad debts. To obtain satisfaction on these and similar points was a very difficult matter, and there is no doubt that many unaudited balance sheets showed inflated assets and underestimated liabilities. It is not the intention of the writer to give the impression that there were numerous instances of deliberate mis-statements, but only that people were "blinded by the rays of excessive optimism," and it must be admitted, in most cases honestly believed themselves right.

Aim Now to Underestimate Profits.

However, the tax had the effect of a pair of dark spectacles. People who before were anxious to show up every kind of profit in their statements began to realize that it was a different matter when a percentage had to be paid to the government for tax. While business men showed the highest patriotism in their willingness to pay such a percentage, they were at the same time anxious that it be on real profits, determined after every allowance and contingency had been provided for. A wave of conservatism in the preparation of financial statements swept the business community, so much so that the Finance Department, in fairness to everyone, had to formulate rulings covering the various points raised, and which are applied in the making of assessments.

The result is that balance sheets and other financial statements are now being drawn up on a conservative and sound basis; facts are being presented plainly and without "camouflage," and such statements should be of much greater value for credit and other purposes. Among other things, statements so drawn should enhance the Dominion's reputation in attracting British or American capital when the time arrives that flotations may again be made.

MANITOBA FARM LOANS ASSOCIATION

Up to the end of November, 1918, the Manitoba Farm Loans Association placed 762 loans, aggregating $2,000,950. This business covered a period of 21 months, as the association commenced business in the winter of 1917. The profits are about $8,000, but on the other hand, the Manitoba government made a grant of $10,000 for organization expenses. The latter has not been entirely spent, so that the association has just about broken even.

With reference to the work of the association, Mr. C. P. L. Fowler, secretary, says to *The Monetary Times*:—

"During the period of twenty-one months we actually put out seven hundred and sixty-two loans aggregating $2,000,950, and these loans are scattered over every part of the province—north, south, east and west. I think I may safely say that the utmost care has been taken in the acceptance of applications. Of course, in the early days of our career we were flooded with applications that could not be considered at all, and were not even inspected. Since then a great many loans have been declined, but being a government institution, the board has been disposed to advance funds in small amounts to settlers in the more recently developed parts of the province, and at the same time providing that the proper improvements be made, and for this purpose large sums of money have been withheld from certain loans. There is outstanding on this account at November 30th the sum of $50,000. On these balances withheld, we allow interest at the rate of five per cent. per annum.

"All our loans have been made at the six per cent. rate, which the farmers were given to understand would be maintained if at all possible. None of the funds which we have received for the purpose of loans have cost us in excess of five per cent. per annum.

"Of the $2,000,950 the sum of $1,974,874 was outstanding on principal at November 30th. There are no arrears at all from 1917, and only half a dozen small ones on payments maturing November 1st, 1918. All payments on account of principal are transferred to a sinking fund and application has been made for $25,000 of Victory Loan bonds, issue of 1918, payment of which will probably be made in full next month, as our payments maturing December 1st, 1918, are coming in very well indeed.

"Over seventeen hundred applications for loans have been received in all and we have on hand at the present time, approved by the board, about one hundred and fifty aggregating $340,000.

"I think, therefore, that the organization has emphatically justified its existence and up to the present time has been run economically and with good judgment. Of course I appreciate the fact that the farmers have been prosperous, and no doubt in future years when prices begin to fall, we may have our troubles in common with other loan companies. However, the promises to farmers have been fulfilled and the farmers on every side have taken advantage of the resources of the organization.

"We have, of course, received considerable outside money for investment in the securities of the association, but these were somewhat depleted by the demands of the Victory Loan campaign this year. At the same time, investors have expressed to the writer a preference for our bonds as a form of investment, one desirable feature of course being that under no circumstances can they sink below par, bearing as they do the absolute guarantee of the Province of Manitoba of principal and interest."

MUNICIPAL CONDITIONS IN MANITOBA

There are no municipalities in default of their financial obligations in the province of Manitoba. Mr. E. M. Wood, deputy municipal commissioner for the province, who gives us this information, adds, "With the condition of the times, however, occasioned by after war conditions, I am afraid, that in some cases throughout this province, a few municipalities have issued debentures for amounts that may become burdensome. This will be largely occasioned by amount being carried over with respect to arrears of taxes. However, I suppose the same conditions prevail to a greater or less extent throughout the Dominion, and it is therefore impossible to accurately discount the future."

Interest Paid on the Date

No bother; no waiting for your interest.

No tales of woe from the mortgagor who can't pay. No foreclosure proceedings and loss of time; and no lawyers' fees to eat up your earnings. Just call for your interest; it is cheerfully paid every six months.

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are issued in sums of $100 and upwards for a period of time to suit the purchaser. Nothing so simple or so safe. Thousands of people have invested their savings in these debentures without the loss of a dollar so invested.

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DIVIDENDS & BONUSES PAID BY ONTARIO'S SILVER & GOLD MINING COMPANIES

FROM JANUARY 1ST, 1917, TO DECEMBER 31st, 1918

Silver Companies	Date of Incorporation	Authorized Capital	Issued Stock	Par value of shares	Total Dividends and Bonuses 1917 %	1917 $	1918 %	1918 $	Last Dividend or Bonus Date declared	Last Dividend or Bonus Rate
		$	$	$						%
(1)Beaver	Feb. 25, 1907	2,000,000	2,000,000	1.00	.....	.....	.....	.....	April 29, 1916	3
(2)Buffalo	April 27, 1906	1,000,000	1,000,000	.50	.....	.....	.....	.....	July, 1915	5
Casey Cobalt	Dec. 19, 1906	100,000	100,000	1.00	.....	.....	.....	.....	April 22, 1914	.....
City of Cobalt	Oct. 5, 1906 / Jan. 7, 1909	500,000 / 1,500,000	1,500,000	1.00	.....	.....	.....	.....	April 15, 1909	3
					.....	.....	.....	.....	May 29, 1914	2½
Cobalt Lake	Dec. 22, 1906	3,000,000	3,000,000	1.00	.....	.....	.....	.....	April 14, 1914	.....
Cobalt Townsite	May 8, 1906	100,000	45,011	1.00	.....	.....	.....	.....	Dec. 14, 1918	12½+6¼
(3)Mining Corpor. of Canada	Nov. 23, 1916	8,300,250	8,300,250	5.00	18¾	1,556,296	16¼	1,348,790	Aug. 25, 1909	1
Cobalt Central	Dec. 13, 1906	5,000,000	5,000,000	1.00	.....	.....	.....	.....	April 27, 1917	†5
Cobalt Comet	April 16, 1913	1,000,000	200,000	5.00	5	50,000	.....	.....	Dec. 31, 1908	3
Cobalt Silver Queen	April 1, 1906	1,500,000	1,500,000	1.00	.....	.....	.....	.....	Oct. 7, 1918	5
Coniagas	Nov. 24, 1906	4,000,000	4,000,000	5.00	7½	300,000	12½	500,000	Dec. 28, 1916	3
Crown Reserve	Jan. 16, 1907	2,000,000	*1,999,957	1.00	5	88,440	.....	.....	Jan. 1, 1907	5
(4)Glen Lake Mines	Feb. 14, 1906	1,000,000	915,588	1.00	.....	.....	.....	.....	Dec. 15, 1918	5
Kerr Lake	Sept. 14, 1905	3,000,000	3,000,000	5.00	23	690,000	20	600,000	April 20, 1918	2
La Rose	May 22, 1908	1,500,000	1,500,000	1.00	4	299,725	2	30,000	Oct. 1, 1918	3
McKinley-Darragh-Savage	April 17, 1906	2,500,000	2,247,692	1.00	12	269,723	12	269,723	Dec. 10, 1918	‡5+5
Nipissing	Dec. 16, 1904	6,000,000	6,000,000	5.00	30	1,800,000	30	1,800,000	April 25, 1918	3
(5)Penn-Canadian	April 24, 1912	1,500,000	1,349,705	1.00	11	148,467	3	40,491	Jan. 2, 1917	1¾
(6)Peterson Lake	April 11, 1906	3,000,000	2,401,820	1.00	1¾	42,031	.....	.....	.....	.....
Right of Way Mining Co., Ltd.	July 13, 1906	500,000	500,000	1.00	.....	.....	.....	.....	Mar. 17, 1917	½
(7)The Right of Way Mines, Ltd.	Sept. 11, 1909	2,000,000	1,685,500	1.00	½	8,427	.....	.....	Nov. 27, 1916	20
Seneca-Superior	Sept. 29, 1911	500,000	478,884	1.00	.....	.....	.....	.....	Nov. 10, 1914	300
(8)Temiscaming & Hudson Bay	July 29, 1903	25,000	7,761	1.00	.....	.....	.....	.....	Aug. 31, 1913	2½
The Hudson Bay	July 16, 1909	3,500,000	3,200,050	5.00	.....	.....	.....	.....	Jan. 18, 1918	3
Temiskaming	Nov. 16, 1906 / Jan. 1, 1908	2,500,000	2,500,000	1.00	12	300,000	3	75,000	Aug. 31, 1917	5
Trethewey	May 30, 1906 / June 1, 1911	2,000,000	1,000,000	1.00	5	50,000	.....	.....	Sep. 22, 1913	5
Wettlaufer-Lorrain	Nov. 30, 1908	1,500,000	1,416,590	1.00	.....	.....	.....	.....		
Gold Companies										
(9)Dome Mines Co., Ltd.	April 12, 1910	5,000,000	4,000,000	10.00	7½	300,000	.....	.....	June 1, 1917	2½
(10)Hollinger Cons. Gold Mines	May 25, 1916	25,000,000	24,600,000	5.00	3	738,000	3	738,000	.....	.....
(11)Porcupine Crown	May 26, 1913	2,000,000	2,000,000	1.00	3	60,000	.....	.....	June 15, 1917	3
McIntyre Porcupine, Ltd.	Mar. 16, 1911	4,000,000	3,610,283	1.00	15	541,542	15	541,542	Nov. 30, 1918	5

(1) While the Beaver is developing the Kirkland Lake Mine, dividends will be uncertain. (2) Company's fiscal year, May to April. The capital stock was decreased 25 cents per share by payment in cash to stock holders. (3) This company acquired the assets of Cobalt Townsite, Cobalt Lake and City of Cobalt Mining companies, and Cobalt property of Townsite Extension Mines, and Little Nipissing Mine on April 1st, 1914, and those companies have been wound up. The City of Cobalt paid, in the years 1908 and 1909, a total of $145,000 in dividends. The Cobalt Townsite was, and the Mining Corporation of Canada is the operating company, the shares of which are owned by English companies whose shares are listed in London. The capitalization of the Mining Corporation in London is £1,660,050. Formerly incorporated on a British charter. (4) Formerly known as Foster Cobalt. (5) On April 29, 1912, this company took the property of Cobalt Central, purchased at sale from the liquidator of Standard Cobalt Mines, Limited, the Canadian operating company. The Penn-Canadian is not a re-organization of the old company, but an entirely new company. Cobalt Central has not been in operation since May, 1910, when it went into the hands of a liquidator. (6) Seneca Superior was a lease on Peterson Lake and has now reverted to parent company. The company declared eleven dividends in succession of 1¾% each, the last of which was paid January 2, 1917. (7) On October 21, 1909, this company took over the Right of Way Mining Company, Ltd., together with a controlling interest in Cobalt Merger, Limited, paying therefor 1,685,500 shares in the new company. Shareholders received 3 shares in the new company for each 1 they held in the old. For the quarter ended December, 31, 1909, the new company paid a dividend of 2%—$33,710. During 1910, the company paid three quarterly dividends of 2%, and declared a fourth dividend, payable on January 30th, 1911. Every quarterly dividend amounted to $33,710, making a total for the year of $101,130. Since then, dividends of $84,275 have been paid as noted, in the table above. Dividends paid by the Right of Way Mining Co., March 5th, 1907, 7%; July 31st, 1907, 7%; May 5th 1908, 7%, September 15th, 1908, 7%; April 1st, 1909, 6+9%; May 20th, 1909, 10%; July 1st, 1909, 6%; October 1st, 1909, 6%. The Right of Way Mines, Limited, has paid dividends of 2%: December 31st, 1909, April 1st, 1910, June 30th, 1910, September 30th, 1910, December 31st, 1910, Decembe 2nd, 1911; and 1% in November, 1914. (8) The Temiscaming & Hudson Bay Company, on September 15, 1909, transferred 9 Cobalt claims to the Hudson Bay Mines, Limited, for a consideration of 3,000,000 shares of that company's capital stock. The former company in that way controls the latter company. (9) Plant shut down on December 1st, 1917 on account of high cost of producing gold. (10) The name of the Hollinger Gold Mines, Ltd. (incorporated June 28, 1910, with authorized and issued capital of $3,000,000, par value of shares $5), was changed to Hollinger Consolidated Gold Mines, Ltd., upon its amalgamation with Acme Gold Mines, Ltd., and Millerton Gold Mines, Ltd. The amalgamation became effective on May 25th, 1916. The capital stock of Hollinger Consolidated is $25,000,000, divided into five million shares of $5 each, of which $24,600,000 have been issued. The Hollinger Consolidated Co. paid dividends at the rate of 1% every four weeks, which is equal to 4%, or 52% per annum on the stock of Hollinger Gold Mines, Ltd., which was converted into Hollinger Consolidated shares on the basis of four Consolidated shares for one of the old shares. The last dividend of Hollinger Gold Mines, Ltd., was No. 48, paid on June 16th, 1916. Commencing July 14th, 1916, and every four weeks thereafter, Hollinger Consolidated paid a dividend at the rate of 1% until February 26th, 1917, since which date four dividends have been paid at the rate of 1% each. Prior to their amalgamation with Hollinger Gold Mines, Ltd., the Acme and Millerton paid no dividends. (11) First dividend paid April 1st, 1914.

(*) Of this 231,143 shares are held by trustees for the benefit of the company and do not bear dividends.

(†) Distribution of cash assets of 5%.

(‡) 5% is regular, and 5% extra, payable January 20th, 1919.

The Drummond and O'Brien companies are practically close corporations the dividend figures have not been made public.

All the above figures are official and have been supplied to *The Monetary Times* by the individual companies.

CANADIAN AUTOMOBILE-MAKING IN 1917

A preliminary report of a census of the automobile and allied industries has been compiled by the Dominion Bureau of Statistics. The number of establishments classed as manufacturers of automobiles in Canada in 1917 was 11, in automobile accessories 24, and in repair work 497.

The total capital invested in these industries was $35,780,677, apportioned as follows:—

In automobiles, $28,192,858; in accessories, $3,155,893; and in repair shops, $4,431,926.

The number of persons employed on salaries was 730 men and 174 women in automobile plants, 106 men and 21 women in accessory plants, and 254 men and 48 women in repair shops and garages. The total salaries paid was $1,376,692 in automobile plants; $266,147 in plants making accessories, and $334,780 in repair shops.

DIVIDENDS AND NOTICES

THE MERCHANTS BANK OF CANADA

SPECIAL DIVIDEND

Notice is hereby given that a special dividend of One per cent. upon the paid up capital stock of this Bank has been declared out of accumulated and undivided profits, and will be payable at its Banking House in this city and at its Branches on and after 6th January next to shareholders of record on the evening of 14th December.

By order of the Board.
D. C. MACAROW,
General Manager.

Montreal, 6th December, 1918.

THE MERCHANTS BANK OF CANADA

QUARTERLY DIVIDEND

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

By order of the Board,
D. C. MACAROW,
General Manager.

Montreal, 27th December, 1918.

THE CANADIAN BANK OF COMMERCE

The annual general meeting of the shareholders of this Bank for the election of Directors and for other business will be held at the banking house in Toronto on Tuesday, the 14th day of January next.

The chair will be taken at 12 o'clock noon.

By order of the Board.
JOHN AIRD,
General Manager.

Toronto, December 7th, 1918.

CANADIAN CAR AND FOUNDRY COMPANY, LIMITED, MONTREAL

December 16th, 1918.

Notice is hereby given that a dividend of one and three-quarters per cent. on the Preference Shares of the Company for the quarter ending December 31st, 1918, has been declared, payable on January 10th, 1919, to shareholders of record at the close of business, January 1st, 1919. The transfer books of the Company will not be closed.

Shareholders will confer a favor upon the management by advising The Royal Trust Company, Montreal, Transfer Agents for the stock, of any change in address.

By Order of the Board.
F. A. SKELTON,
Secretary and Treasurer.

CONDENSED ADVERTISEMENTS

"Positions Wanted," 2c. per word; all other condensed advertisements, 4c. per word. Minimum charge for any condensed advertisement, 50c. per insertion. All condensed advertisements must conform to usual style. Condensed advertisements, on account of the very low rates charged for them, are payable in advance; 50 per cent extra if charged.

GENERAL AGENT wanted for the City of Toronto for a Fire Company with large writing facilities. Apply to Box 1658, *Monetary Times*, Toronto.

Large capital available for Investment in undertakings of merit and stability that will bear searching investigation.

$100,000.00 UPWARDS

Proposals must be accompanied by fullest particulars. Address in first instance—Box No. 211, Monetary Times, Toronto, or Box 200, Monetary Times Office, Winnipeg.

WORLD FINANCE

The appalling changes brought about in the world's financial position, is shown in the statistics of expenditure made necessary by war. Mr. O. P. Austin, of the National City Bank, has recited some of these in a recent address, and we present them in tabulated form:—

	Before the war.	At present.
National debts of the world	$44,000,000,000	$204,000,000,000
Annual interest on debts..	2,000,000,000	10,000,000,000
Paper money "uncovered"	3,000,000,000	24,000,000,000
Average cost of living		.....increased 100%

Hon. Frank Carvell, minister of public works, said in reply to a deputation from Toronto, that the government would employ about 800 men during the present winter on the Toronto harbor work.

WONDERFUL GROWTH OF WINNIPEG

City is Agreeable Place to Live in, as Well as Great Industrial Centre

From a little trading post containing about two hundred pioneers to a metropolitan city of 262,000 inhabitants.

From a hamlet with only prairie trails and the rivers, as avenues of communication, to a railway centre with twenty-seven lines radiating in all directions.

From a village with one street winding in and out following the banks of the river, to a city covering an area of 15,287 acres and containing 500 miles of streets.

From a commercial centre confined entirely to trading and exporting in furs, to a metropolis having within its borders 350 wholesale and jobbing houses, 445 factories, and over 1,500 retail establishments, as well as the largest grain market in the world, where actual trading in grain is done.

This is the wonderful story of the growth and development of Winnipeg, and it has all been accomplished in forty years.

Grain crops of western Canada for the year 1918 totalled: wheat, 163,250,000 bushels; oats, 214,625,500 bushels; barley, 37,154,500 bushels; flax, 7,500,600 bushels.

Municipal Works.

Winnipeg's new water supply is being brought over a distance of ninety-six and a half miles from Shoal Lake through a concrete acqueduct with a capacity of 85,000,000 gallons per day. This source is capable of supplying a population of 850,000. The cost, exclusive of land purchases and interest charges, is over $13,000,000.

Hydro-electric power is sold to manufacturers in Winnipeg at as low a rate as ½c. per k.w.h. for manufacturing purposes, 1c. per k.w.h. for domestic uses, such as heating and cooking, and 3c. per k.w.h. for lighting.

The municipal power plant, located 75 miles from the city, is now developing 47,000 h.p. with capacity for an additional 60,000 h.p. The Winnipeg Electric Railway plant, 58 miles from the city, is developing 34,000 h.p.

Government statistics show that it is feasible to develop 418,000 continuous twenty-four hour h.p. along the Winnipeg river and within 100 miles of Winnipeg.

Winnipeg's bank clearings for the past three years are as follows:—1916, $2,061,795,257; 1917, $2,622,924,702; to October 31st, 1918, $1,755,063,043.

REGINA

Saskatchewan's

Capital

Regina is the Capital and Commercial Centre of Saskatchewan, the Grain Growing Province of the Dominion.

REGINA is growing solidly and steadily. Note these figures:

Surplus of Assets over Liabilities, Six and a Half Millions.

ASSESSMENT, 1918

Total Assessment	$57,272,550
Exemptions	14,794,160
Net Assessment	$42,478,390

POST OFFICE BUSINESS RETURNS

1915	$ 3,064,312
1916	6,377,986
1917	9,695,520
1918 (eleven months)	14,887,557

BANK CLEARINGS

1915	$ 87,122,611
1916	124,349,589
1917	169,800,113
1918 (eleven months)	163,647,492

CUSTOMS RECEIPTS

1916	$1,505,019
1917	1,801,803
1918 (ten months)	1,323,414

(The above slightly below 1917, owing to Government U.S.A. and Canada curtailing output.)

Earnings, City Owned Utilities, 1915 ..... **$608,210**
Earnings, City Owned Utilities, 1918 (ten months) **637,246**

Manufacturers and Wholesalers

REGINA is noted as an industrial and distributing centre, has a model industrial section, so planned and laid out as to incorporate all possible advantages for your business.

This district is served by spur tracks from the three trans-continental railways; has pavements, sewers, water, electric light and power, street railway services, etc. Sites in this district can be purchased at low prices by *bona fide* firms. The city owns in this district warehouse property valued at two million dollars. The Municipal Power Plant supplies power for manufacturing and wholesale houses requiring power can be supplied from the Municipal Power Plant, as the equipment extends over the entire area. Approximately forty new business enterprises have been established in this district since the war started, among which are three of the largest concerns in Canada, who have invested here several millions. Applications invited and detailed information furnished promptly.

CITY COMMISSIONER, Regina, Saskatchewan.

MONTREAL STOCK EXCHANGE

Comparative Statement of Prices and Sales, January-March

	STOCKS	JANUARY 1917 High	Low	Sales	1918 High	Low	Sales	FEBRUARY 1917 High	Low	Sales	1918 High	Low	Sales	MARCH 1917 High	Low	Sales	1918 High	Low	Sales
1	Abitibi Com.																		
2	" Pref.																		
3	Ames-Holden-McCready Com.	23¾	20	518				19	16	760				20	17	380			
4	" Pref.	61	56	120	47	47	25	52½	48	380	47	47	25	60	48	230			
5	Asbestos Corporation Com.	21	20	100½	20	15	62¼	20	20	50	20	20	10	14	14	25	16	16	70
6	" Pref.	53	52	190	48	46	120	50	50	80	50	45	25	49	48	27			
7	Bell Telephone	146	144	256	130	130	252	150	144	284	132½	130	193	148	146½	199	132	130	108
8	Brazilian T. L. & P. Co.	47⅞	43½	4,145	40	32	4,210	44½	43	2,486	40	34	2,426	44	42	3,740	37	34	1,538
9	British Columbia Fishing & Packing Co.				40	40	100	56	45	95	47	40	205				47½	41	785
10	Brompton	58¼	54	2,104	49	41¾	2,646				48	45½	139				47	44	299
11	Canada Cement Com.	69	63	5,830½	58½	57	1,535	62½	57	3,075	59½	57	1,589	65	59½	4,854	61	58½	1,991
12	" Pref	95⅝	92⅝	703	90⅝	90	608	93	91½	563	90½	90	333	94	92	587	91	90	521
13	Canada Foundries & Forgings Com.	205	190	945				181	170	830	155	152	80	150	150	51			
14	" Pref.				85	84½	18												
15	Canada Steamship Lines, Ltd. Com.	38	31	2,228	43¼	39½	7,012	35	29¾	2,380	43	40⅜	2,807	40¼	34	4,025	41	39½	1,311
16	" Pref.	93½	91	1,980	76	76	327	93¾	84	2,776	78½	76	1,713	85¼	83½	2,082	77	76	794
17	" " Voting Trust	35	35	25							43½	41	525	33	33	1	39⅜	39¼	150
18	" " New																		
19	Canadian Pacific Railway	164½	158	70	144¼	144¼	10	158½	152½	71	147½	147	40	153⅜	152½	19	146¼	146¼	3
20	Canadian Car and Foundry Com.	46½	25⅛	9,622	22	18½	950	30	25½	1,608	26	23	425	31¼	27	4,146	27⅝	27	2,080
21	" Pref.	89	59	16,842	60	49½	860	76	66	3,478	60	56½	685	75⅝	69	2,878	65½	56½	2,698
22	Can. Consolidated Rubber Co. Com.	97½	97½	100										90	90	1	100	100	25
23	" Pref.	96	96	37							97	94	5	95	95	2			
24	Canadian Converters	40	40	100	43	43	50	40	39	100				41½	40½	210	43	43	25
25	Canadian Cottons, Limited Com.	56	55	30	48½	48½	93	53	51	275	50	48½	565	55	52	290	59½	49	729
26	" Pref.	82	78	250	76	76	10	79	78	97	76	76	72	80	78	116	76	76	86
27	Canadian General Electric	114⅜	111	526	101½	101½	75	111	106	480	104	101½	478	112	108	833	105	102	305
28	Canadian Locomotive Com.	58	57	620	58	58	25	57	52½	710	59½	59	105	57½	54½	1,535	59¼	58	318
29	" Pref.	88	88	5				88⅜	84	15	84½	84½	10	89½	88	51			
30	Carriage Factories Com.	25	25	125				15	12	210									
31	" Pref.																		
32	Cedar Rapids																		
33	Consolidated Min'g & Smelt. Co. $25 par	35¼	32	3,010	25¾	25	3,242	32½	26	7,477	26	25	1,896	33⅜	31	2,841	25½	25	828
34	Crown Reserve Mining Co.	.44	.37	15,910				.36½	.33	10,300				.34	.32	2,278			
35	Detroit United	128	120	2,206				122	113½	6,802				118¼	113½	8,303			
36	Dominion Bridge	170	146½	4,399	128	128	1	142¼	130	1,860				140	134	1,026			
37	Dominion Canners Com.	20	19½	85				21½	19¾	170				26	20	140	23¾	23⅜	56
38	" Pref.							65	65	100							80	80	10
39	Dominion Coal Pref.	96½	93½	43	94½	94½	15							94	93½	10			
40	Dominion Steel Corporation Com.	71⅛	60⅜	50,348	59½	53⅜	9,275	62½	52⅜	38,566	62	58¼	12,815	69	61¼	23,676	61½	58¼	8,401
41	" Pref.																		
42	Dominion Iron and Steel Co. Pref.	95	92	374	90½	88	122	93½	91	228	93	88½	167	95	91	128	93	88½	118
43	Dominion Textile Com.	82	80	483	83½	80⅜	914	80⅜	76½	487	84⅜	83	482	85	80½	458	85	83	920
44	" Pref.	103	102¼	21	100	100	16	104	100	112	100½	100	32	103	103	7	100	100	33
45	Duluth Superior Traction																		
46	Goodwins Limited Com.																		
47	" Pref.																		
48	Gould Manufacturing Co. Com.													45	45	10			
49	" Pref.																		
50	Hillcrest Collieries Com.																		
51	" Pref.																		
52	Howard Smith Paper Mills Com.										65	65	35				65	65	7
53	" Pref.				76	76	50												
54	Illinois Traction Com.																		
55	" Pref.	88½	88	101	80	80	8	89	87½	25	80	80	30	88	87	103	80	80	17
56	Intercolonial Coal Com.										30	27	140				30	30	255
57	Lake of the Woods Milling Co. Com.	130	129½	45	122	120⅝	240	126	125	52	136	126	807	126	125¾	82	131	130	45
58	" Pref.	116	116	2															
59	Laurentide Co.	195	181	916	155	152	622	186	176	1,888	157	153	914	191	180	881	155	153	125
60	" New																		
61	Lyall Construction Co. Com.	69	64	180	68	62	487	65	65	1	65¼	65	260	80	63	1,629	68	65	498
62	Macdonald Co., A., Ltd Com.	13½	11	321	14¾	13½	550	15	8	1,781	15	14	609	15½	13½	1,449	16⅞	15	1,718
63	Mackay Companies Com.	87½	83⅜	20	75¼	74	55	90	87½	125	79	75⅜	60	89¼	88	130	78⅞	78	60
64	" Pref.	67½	66	72	60	58½	27	67¼	67¼	11	60	59¾	15	66½	66¼	1			
65	Maple Leaf Milling Co. Com.	103	96	271	95	92	41	98	93	45	98	95	100	115	97½	2,749	98	96	222
66	" Pref.				91	91	1	94½	94¾	30				95	95	10			
67	Min., St. Pl. & S. Ste. Marie (Soo) Com.																		
68	Montreal Cottons, Limited Com.	59	58	61	50	50	146	54	50	104	50	50	255	55	51	160	50	50	211
69	" Pref.	103	102	146	99½	99½	18	103	102	21				103	103	35	100	99¼	10
70	Montreal Loan and Mortgage	165	165	1				165	165	50				165	165	40			
71	Montreal Telegraph	138	138	2	120	129	87							135	135	4	120	120	98
72	Montreal Tramways	181	180	50				175	175	13	150	150	45				150	150	1
73	National Breweries Com.																		
74	" Pref.																		
75	Nipissing $5 per share																		
76	Nova Scotia Steel and Coal Co. Com.	126	107	8,265	70	66½	255	111	91	7,768	68½	66½	842	106	97½	5,390	66	66	138
77	" Pref.	112	112	25	100	100	5	112	112	5	105	100	50	110	110	14			
78	Ogilvie Flour Mills Co. Com.	143	141	265	149½	146	220	141½	137	481	150¾	149½	78	141	137½	315	165	160	60
79	" Pref.	115	113	75	109	108	15	111	110	167				112½	112	77			
80	Ontario Steel Products Com.	34	32	32	28	22½	1,075	25	25	110	29	28	275	20	18	445	25	24	75
81	" Pref.																		
82	Ottawa L. H. & P.	95	90	84	69	69	1				69	69	10	90	83½	100			
83	Paton Manufacturing																		
84	Penman's Limited Com.	71	70	222	66½	65	529	70	69½	110	74⅜	69	1,363	73½	69	711	75½	73¼	661
85	" Pref	85	81½	30	82	81⅞	13	85	85	22	81⅞	81⅞	1	85	82	28	81⅞	81⅞	56
86	Porto Rico Com.	40	35	127															
87	Price Bros. Com.	120	120	57							120	120	35	120	115	195			
88	" Pref.																		
89	Quebec Railway, Light, Heat & Power Co.	35	21	15,675	18¼	15	1,420	27	22	9,355	20	17	2,291	28¼	24¼	2,588	17	15	521
90	Riordon Pulp & Paper Co Com.	127	115	1,721				120	106	1,381	122	117½	1,770	123	116	1,608	121	117¼	668
91	" Pref.	93	90	226	97	93	8	92	90	105	93¼	92½	6	95	92½	107	94	94	5
92	Russell Motor Car Com.																		
93	" Pref.																		
94	Sawyer-Massey Com.																		
95	" Pref.																		
96	Shawinigan Water and Power Co.	131	127	970	108	107	840	128	123	1,983	116½	108½	1,368	127½	124	741	114¼	110	1,084
97	" New																		
98	Sherwin-Williams Com.	59	58½	353				59	56	26	60	60	20	59¾	59	94	60	60	25
99	" Pref.	100	98	51				100	99½	35				99	99	15	99	99	15
100	Spanish River Paper & Pulp Co. Com.	19	14	779	13¾	13	235	17	13	1,820	15	13	407	18	16	1,356	14	13	252
101	" Pref.	59½	52	280				57	51	606	50	50	60	55	51½	715			
102	Steel Company of Canada Com.	71½	61¼	31,130	55	50½	3,668	62¾	52	26,754	55⅝	53	2,699	69	59½	38,381	59	52½	12,612
103	" Pref.	100	95½	327	85½	85½	70	95	93½	164	87	85¼	46	96½	94	449	90	87	130
104	Tooke Bros. Com.																		
105	" Pref.	79	79	15															
106	Toronto Railway	83½	76	1406	60	60	451	87	76¾	2,238	63	60	1,112	91	85½	1,387			
107	Tri-City Pref.																		
108	Tuckett Tobacco Co. Com.	22½	21½	110				22	20	125				19½	19½	50			
109	" Pref.	83½	83½	50				81⅛	81⅛	10				80	80	3			
110	Twin City	95	94½	109	65	65	25	93¾	93½	50									
111	West India Electric							77	77	80									
112	Winnipeg Electric	81	79	77	48	48	5	80	80	50				75	69	30			
113	Wayagamack	97	90	1,405	50	50	55	85	81	510				83½	80	1,300			

MONTREAL STOCK EXCHANGE

Comparative Statement of Prices and Sales, April-June

	STOCKS	APRIL 1917 High	APRIL 1917 Low	APRIL 1917 Sales	APRIL 1918 High	APRIL 1918 Low	APRIL 1918 Sales	MAY 1917 High	MAY 1917 Low	MAY 1917 Sales	MAY 1918 High	MAY 1918 Low	MAY 1918 Sales	JUNE 1917 High	JUNE 1917 Low	JUNE 1917 Sales	JUNE 1918 High	JUNE 1918 Low	JUNE 1918 Sales
1	Abitibi Com.				48	48	550				48	48	115						
2	" Pref.																		
3	Ames-Holden-McCready Com.	16	16	135	17	15	205				22⅛	17½	2,175	17	17	15	24½	18⅛	3,574
4	" " " Pref.	59	55	50	57	47	1,192	50	50	10	60	54	2,127	50	48	175	64	57	2,636
5	Asbestos Corporation Com.	16	12	51							21	15	211						
6	" " Pref.							45	45	5½	52	44¾	204½	45	42	59½	55	51	400
7	Bell Telephone	145	144	195	130½	130	100	141	140	101	130	130	70	142	140	309	130	130	112
8	Brazilian T.L. & P. Co.	47½	37⅜	8,886	36⅜	33⅜	1,448	41	38½	4,852	36	33½	1,533	39¾	38	1,855	35	33½	473
9	British Columbia Fishing & Packing Co.	45	45	140	50	49	82	45	39	230				43	43	15			
10	Brompton	56	49	1,181	52	45	2,702	52	46	5,228	54½	49	7,807	53	44½	1,260	56	53	924
11	Canada Cement Com.	64½	60	1,966	61	59	2,397	64½	57½	4,364	61	59	4,663	64	60	3,427	62½	59½	2,249
12	" " Pref.	95¼	92½	395	93¼	90	386	93	91½	569	91	90	358	93¼	91½	701	92	90	616
13	Canada Foundries & Forgings Com.										156¼	150	470				155¾	150	150
14	" " Pref.	82	82	30				84	84	20				85	85	25			
15	Canada Steamship Lines, Ltd. Com.	40½	37	2,805	42½	39½	2,936	40	37	1,760	40	39½	1,860	45	36	21,292	40⅝	39¼	852
16	" " " Pref.	87⅞	84	3,325	76½	76	1,409	88	85½	2,945	76½	76	703	81¼	78½	1,655	76½	76	331
17	" " " Voting Trust	39	36	200	39	38½	100	39	37½	550	39	39	25	40	38½	235	41	39	590
18	" " " New "													43½	39	450			
19	Canadian Pacific Railway	165	159¼	70				161¼	156	37	147	147	25	159¾	159	70			
20	Canadian Car and Foundry Com.	31½	28	1,022	32¼	26	3,947	29	28	1,401	32	30	722	32½	28	2,403	33¼	29¾	2,305
21	" " Pref.	74	70	1,055	78½	62	4,327	71	66	1,434	78½	76½	2,790	75	68	411	79	73	1,275
22	Can. Consolidated Rubber Co. Com.																		
23	" " " Pref.																		
24	Canadian Converters	41	41	25				41	40	150	43	43	388	41	40	75	45	43	331
25	Canadian Cottons, Limited Com.	51	51	85	60	56½	668	52¼	51½	230	64	63	125	54	51	60	61½	60	325
26	" " Pref.	79	76½	75	76	76	135	80	78	376	76	76	117	80	79	82	76	76	127
27	Canadian General Electric	112	107½	366	103	101½	117	108⅞	106½	516	103	102	302	108½	103½	155	103¼	102	75
28	Canadian Locomotive Com.	63½	57	2,767	58	58	250	60	57	350	61	58	414	59½	57	85	60	58½	90
29	" " Pref.	90	90	5	85	84½	30	89	89	10	86	85	30				85	84½	24
30	Carriage Factories Com.	12	10	35				12	9	70				10	9½	45			
31	" " Pref.																		
32	Cedar Rapids							79	79	¾									
33	Consolidated Min'g & Smelt. Co. $25 par	31½	27	2,455	25	25	486	29	26	5,526	25	25	858	28	25	5,454	25	25	2,640
34	Crown Reserve Mining Co.	34	32	300				32	32	1,600									
35	Detroit United	120	113	6,010				114	110	3,391				110	107¾	2,903			
36	Dominion Bridge	135	128	1,192				130	137	405	123	123	1	130	125	19	123	123	1
37	Dominion Canners Com.	23	23	170	27	23½	323				43	28½	1,286½	23½	23¼	40	35	35	20
38	" " Pref.																		
39	Dominion Coal Pref.	95	94	24				92	88	8	94½	94½	10				95	94½	58
40	Dominion Steel Corporation Com.	66	59¾	10,786	61½	58⅜	6,758	67½	58½	25,610	63⅝	58	20,611	67	60¼	19,205	62	59	4,932
41	" " " Pref.																91	91	15
42	Dominion Iron and Steel Co. Pref.	91½	90	217	91¼	90	381	92	89	365	90½	90	406	90½	90	465	92	90	212
43	Dominion Textile Com.	84½	82	430	89	83	2,986	89	83	3,054	91¾	87½	2,396	88	83½	145	91½	89	726
44	" " Pref.	105	102	25	101	100	21	103	102	60	100	100	41	102½	102½	7	100	100	4
45	Duluth Superior Traction																		
46	Goodwins Limi ed Com.																		
47	" " Pref.							43	43	14									
48	Gould Manufacturing Co. Com.	100	100	102										100	100	5			
49	" " Pref.	100	100	85															
50	Hillcrest Collieries Com.																		
51	" " Pref.							142	142	200	15	15	80	15	15	100			
52	Howard Smith Paper Mills Com.							74½	70	370				73	71	155	65	65	10
53	" " " Pref.				75	75	25				76	75	100				75	75	50
54	Illinois Traction Com.																		
55	" " " Pref.	88	85	51				87	83	114				86	83½	110			
56	Intercolonial Coal Com.				27	27	25				26	26	50						
57	Lake of the Woods Milling Co. Com.	126	124	108	130	130	70				132	129	163	130	125	78	133	130	160
58	" " Pref.				110	110	7										100	100	50
59	Laurentide Co.	183	183	17	164	154	2,575	180	177	290	167	161	847	177	170	216	167½	164½	1,070
60	" " New																		
61	Lyall Construction Co. Com.	80	79	210	76½	68	1,573	73	65	567	79	75	1,335	74	70	250	78	78	25
62	Macdonald Co., A., Ltd. Com.	13½	12	395	15	13½	470	12	11	120	13½	13½	76	16	11	420	13½	13½	150
63	Mackay Companies Com.	85½	85½	31	75½	75½	5	85¾	85¾	10	74¾	74¾	25	83½	83½	10	75¼	75	77
64	" " Pref.	65¼	65	27	65¼	65¼	5				64½	64½	25						
65	Maple Leaf Milling Co. Com.	113	110	180	98	94	175	107	101	270	98⅝	96	660	106	102	110	107¼	97	607
66	" " Pref.							94½	92	8				95	95	6	93	92½	34
67	Min., St. Pl. & S. Ste. Marie (Soo) Com																		
68	Montreal Cottons, Limited Com.	52	51	42	50½	50	35	53	50	106	51	50	71	49	49	8	55½	55	265
69	" " Pref.	102	101½	144				102	101½	47	100	100	10	101	100	4			
70	Montreal Loan and Mortgage	165	165	80				165	165	1				162½	162½	50			
71	Montreal Telegraph	136	136	15	120	120	15				120	120	20	136	136	3			
72	Montreal Tramways																150	150	5
73	National Breweries Com.																		
74	" " Pref.																		
75	Nipissing $5 per share																		
76	Nova Scotia Steel and Coal Co. Com.	100	88	4,787	66	66	10	95⅝	89	3,404	66	66	5	108	93½	9,395			
77	" " Pref.	107	107	5	100	100	35				100	100	10	107	105	35	103	102	27
78	Ogilvie Flour Mills Co. Com.	144¾	140	139	170	160	154	145	144	502	175	170	124	144	140	191	175	161	90
79	" " Pref.	112	112	71				112½	110½	125	111	111	1	112½	110½	20			
80	Ontario Steel Products Com.	23	20	495	28½	25	1,328	22½	20	95	26½	25½	180	24	22	135	25	25	15
81	" " Pref.	74	74	25															
82	Ottawa L. H. & P.	90	83½	32				80	80	131	80	69	400				82½	81	275
83	Paton Manufacturing	130	130	103				130	130	25				130	130	8	124	124	12
84	Penman's Limited Com.	73½	70	162	76	73	661	72	68	312	76	72½	197	72	71	303	75	74	68
85	" " Pref.	86	80	28	82	82	16	83	82	6	83	82	43	83	83	5			
86	Porto Rico Com.																		
87	Price Bros Com.	117	115	105	120	120	50				120	120	65	115	115	264			
88	" " Pref.																		
89	Quebec Railway, Light, Heat & Power Co.	28½	26	1,551	19½	16	2,407	29½	20½	5,612	22½	16	6,956	20½	18½	1,668	21	19	1,535
90	Riordon Pulp & Paper Co. Com.	127	108	2,060	118½	117½	820	125	112	2,370	123	117½	2,097	125	121	920	120¼	117½	1,593
91	" " Pref.	94	92½	157				93	92	109							95	94	35
92	Russell Motor Car Com.																		
93	" " Pref.																		
94	Sawyer-Massey Com.																		
95	" " Pref.																		
96	Shawinigan Water and Power Co.	124	121	1,379	115	109½	1,959	122¼	121	1,128	112½	111	1,071	122¾	119¼	711	113¾	111	532
97	" " " New																		
98	Sherwin-Williams Com.	59	59	23				58½	58½	1							60	60	21
99	" " Pref.	99	98	47	100	99	4	99	98	111							99	99	2
100	Spanish River Paper & Pulp Co. Com.	17⅜	15½	11	14	13	405	17	13½	276	16¼	13	1,658⅝	15½	14	545	13½	13	1,647
101	" " " Pref.	54½	50	75				50½	49½	212	53½	50	1,541				50	50	175
102	Steel Company of Canada Com.	68	59	10,944	61	57⅞	11,928	64⅜	56½	11,182	67½	58½	31,843	63⅝	57⅜	7,965	67½	61½	11,772
103	" " " Pref.	94½	91½	165	91	89	196	93	91	121	91	90	95	92	90	488	94½	90½	293
104	Tooke Bros. Com.										19	19	25						
105	" " Pref.							75	75	19				74	72	80			
106	Toronto Railway	88	83	541				82	76	75	61½	60	833	80	75	525	60	60	60
107	Tri-City Pref.																		
108	Tuckett Tobacco Co. Com.	19	19	50				19	18½	55				19	19	25			
109	" " Pref.																		
110	Twin City							89½	87½	50									
111	West India Electric																		
112	Winnipeg Electric							50	48	35									
113	Wayagamack	81¾	73	1,980	50	50	15	74	67	1,730	51	50	1,425	68	67	72			

MONTREAL STOCK EXCHANGE

Comparative Statement of Prices and Sales, July-September

	STOCKS	JULY 1917 High	JULY 1917 Low	JULY 1917 Sales	JULY 1918 High	JULY 1918 Low	JULY 1918 Sales	AUGUST 1917 High	AUGUST 1917 Low	AUGUST 1917 Sales	AUGUST 1918 High	AUGUST 1918 Low	AUGUST 1918 Sales	SEPTEMBER 1917 High	SEPTEMBER 1917 Low	SEPTEMBER 1917 Sales	SEPTEMBER 1918 High	SEPTEMBER 1918 Low	SEPTEMBER 1918 Sales	
1	Abitibi Com.	58½	58½	55	48	48	15	58½	57	150	49	49	25	55	50	50	48	48	25	1
2	" Pref.							90	90	110				88½	88½	20				2
3	Ames-Holden-McCready Com.				23¾	21	536	15½	14	477	28	23½	3,921	15½	15	330	27	25	380	3
4	" Pref.	49	49	139	64	59⅝	1,775	51	48½	466	72½	63½	4,388	50	49	155	69½	66	805	4
5	Asbestos Corporation Com.	45	44⅜	20	21	15	385				20	19	930¾				32⅝	20	1,301½	5
6	" " Pref.				55	53	258				52½	51¾	155½				61½	51¾	2,698	6
7	Bell Telephone	139	136	131	131	130	108	137½	137	238	130	130	14	137	135	86	130	130	116	7
8	Brazilian T. L. & P. Co.	40½	38⅜	2,508	36½	34¼	675	41¼	38⅝	2,368	40¾	36	3,167	40⅜	38⅝	3,019	49	41½	12,530	8
9	British Columbia Fishing & Packing Co	44	44	10	45⅝	45	55	44	43½	35	52½	45½	3,756				51	49½	310	9
10	Brompton	48	46⅜	1,245	57½	54	1,207	47½	44½	967	60	56	7,935	48	44	885	62½	58½	8,278	10
11	Canada Cement Com.	62	60¼	1,414	61	60½	1,884	63½	61	2,116	69½	61	7,551	62½	58½	1,055	69½	66	2,333	11
12	" " Pref.	92½	91	334	92⅝	91⅝	303	92	90	234	92	90⅜	408	92½	90	248	95	92	604	12
13	Canada Foundries & Forgings Com.	142	139½	15	200½	155	3,853	178	150	825	209½	190	5,165	167	155	280	213	205	2,581	13
14	" " Pref.																93½	90	187	14
15	Canada Steamship Lines, Ltd Com.	44	41	2,645	44	39½	3,479	45⅝	42	8,838	45	41⅜	4,912	44	40⅜	2,464	48½	44	8,960	15
16	" " " Pref.	81	78½	1,119	77	76	1,950	79½	78½	712	78	76½	1,313	79	77	932	78½	76	4,159	16
17	" " " Voting Trust	41	38½	355	45	41	1,850	41	39	236	49½	45	757	40	40	25				17
18	" " " New "																			18
19	Canadian Pacific Railway				150	149½	81	162½	160½	175	173	154	48	156½	148	199	163	157	16	19
20	Canadian Car and Foundry Com.	32¼	31½	610	37¾	30	6,121	32	29⅛	2,300	38¼	36½	1,090	30½	25	545	38	34	140	20
21	" " " Pref.	71½	69	649	92	73½	5,010	70	66	430	91	88½	1,575	66	55	1,270	89½	83	1,481	21
22	Canadian Consolidated Rubber Co. Com.													99¾	95	7				22
23	" " " Pref.	97	96¼	43													98	97	6	23
24	Canadian Converters	43	41¾	338	46	44½	617				49	45	1,043				50	47	785	24
25	Canadian Cottons, Limited Com.	52	52	5	62½	62½	25	51	50	146	70	64	965	51	46⅜	260	70	69	7	25
26	" " Pref.	79½	78	376	76	76	93	78	75½	61	76	76	181	76	75	58	76	76	354	26
27	Canadian General Electric	103	101	370	102	101½	100	103¼	102	296	103½	101½	612	105¼	102	334	103½	101½	250	27
28	Canadian Locomotive Com.	64	57	1,597	59	59	30	62	61	271	66	60	2,440				69	64	1,240	28
29	" " Pref.	88½	87	137				88½	88½	25				85	83½	21				29
30	Carriage Factories Com.	11	9½	55	15	15	15	22	12	1,645				22	20	340				30
31	" " Pref.																			31
32	Cedar Rapids																			32
33	Consolidated Min'g & Smelt. Co. $25 par	27¼	24	2,553	25	25	200	30¼	26⅝	4,484	25	25	7,787	27⅜	26	1,738	25	25	682	33
34	Crown Reserve Mining Co.													.29	.26	150				34
35	Detroit United	110½	107½	3,591				111	106	3,137				112⅜	106	5,886				35
36	Dominion Bridge	130	125	558	123	123	30	152½	128⅛	3,611	127¼	123	3,390	154	137	4,329	128	124½	1,096	36
37	Dominion Canners Com.	22½	22½	10							40	37¼	140				38	38	25	37
38	" " Pref.																			38
39	Dominion Coal Pref.	94½	85	27	95	94¾	171				95	94½	31	96	90	7				39
40	Dominion Steel Corporation Com.	61	59	5,463	61½	59¾	2,593	68½	59¾	27,555	65	60¼	12,194	63¾	59	10,682	65	61	6,826	40
41	" " Pref.																			41
42	Dominion Iron and Steel Co. Pref.	92	91	174	95½	91	298	92	90	93	96½	95	434	92	89	158	99	96	800	42
43	Dominion Textile Com.	84	83	236	90	88½	181	84	83	477	98¾	88½	2,455	84	80½	475	99	95½	2,615	43
44	" " Pref.	101	99½	25	101¼	101	17	101	99¾	10	102	100½	16	101½	101½	20	102	102	20	44
45	Duluth Superior Traction																			45
46	Goodwins Limited Com.																15	11	25	46
47	" " Pref.													45	45	5	45	45	10	47
48	Gould Manufacturing Co. Com.																100	100	125	48
49	" " Pref.										100	100	45							49
50	Hillcrest Collieries Com.										36	28	415				40	30	485	50
51	" " Pref.																			51
52	Howard Smith Paper Mills Com.							70	70	48				65	65	25	65	65	195	52
53	" " " Pref.				75	73¾	148				75	65	97				76	76	5	53
54	Illinois Traction Com.													35	35	85				54
55	" " Pref.	87⅜	84	318	80	80	18	84	84	35	80	80	2	83⅛	80	30				55
56	Intercolonial Coal Com.				35	35	20	25	25	5							35	35	40	56
57	Lake of the Woods Milling Co. Com.	126	125	35	136	133	95	125	124	33	152½	136	526	125	125	10	162	150	785	57
58	" " " Pref.										103	103	28				104	104	25	58
59	Laurentide Co.	172	170	975	169	166	375	175½	170	1,215	183½	169	7,772	171	165	397	184¼	174½	5,795	59
60	" New																			60
61	Lyall Construction Co. Com.				82½	75	1,907	70	67	85	84	80¾	1,147	70	53	837	85½	81¾	1,590	61
62	Macdonald Co., A., Ltd Com.	15	13½	295	14	13½	182	15½	14	1,430	20¾	13½	3,284	15½	13½	1,090	21½	18	2,198	62
63	Mackay Companies Com.	82½	82¼	100				81¾	81⅜	50				81¾	79½	21	76½	76	75	63
64	" " Pref.							65	63¼	16				64	64	15	64¾	64½	25	64
65	Maple Leaf Milling Co. Com.	104¾	104¾	10	114	101½	1,251	100	100	5	120	110¾	2,642	109	100	866	129¾	117¼	2,161	65
66	" " Pref.																95¼	95¼	5	66
67	Min. St. Pl. & S. Ste. Marie (Soo) Com.																			67
68	Montreal Cottons, Limited Com.	53	51	55	56	54½	54	54	52	210	58	56	335	51	51	5	61	58	1,315	68
69	" " Pref.	100	99	15	100	100	20	100	100	20	100	99½	281	100	99½	7	99½	99½	159	69
70	Montreal Loan and Mortgage										170	170	3				160	160	2	70
71	Montreal Telegraph	135	135	4	120	120	17				120	120	13	135	115	48	120	120	2	71
72	Montreal Tramways																150	150	2	72
73	National Breweries Com.																			73
74	" " Pref.																			74
75	Nipissing $5 per share													9.40	9.40	10				75
76	Nova Scotia Steel and Coal Co. Com.	100	94	4,066	66	66	17	108½	97	3,621	71½	66	3,270	97	90	1,756	68	66	1,048	76
77	" " " Pref.	105	105	5	102	102	3	110	110	30				105	105	5	103	102	46	77
78	Ogilvie Flour Mills Co. Com.	150	140	558	175	172	77	148	144	617	190	175	166	158	140	451	197½	185	246	78
79	" " " Pref.	112½	112½	10	101	100	222	112½	110	76	101	100	23	112½	111½	11				79
80	Ontario Steel Products Com.	24	24	190	35	28	880	30	25	95	34	28½	3,090	33	20	1,045	35	30	3,143	80
81	" " Pref.				78	73	138													81
82	Ottawa L. H. & P.				85	84	95	78	77	30	85	82	353	70	70	35	86	84	29	82
83	Paton Manufacturing							130	130	5				124	124	15				83
84	Penman's Limited Com.	72	70	151	77	75	270	71½	70	290	83	77	557	70	69	76	83½	81	180	84
85	" " Pref.				81⅞	81⅞	1,000	82½	82½	5	83½	81⅞	1,010	84	82	26	84½	83	15	85
86	Porto Rico Com.																			86
87	Price Bros Com.	134	125	140				131	131	10	140	135	110	120	120	50	149	142	196	87
88	" " Pref.																			88
89	Quebec Railway, Light, Heat & Pr. Co.	22½	17	2,740	20	17½	700	22½	19	2,001	20	17½	1,376	19	16	1,082	20½	17½	1,764	89
90	Riordon Pulp & Paper Co. Com.	124	119	416	118	117¼	241	122	118	675	119	117¼	1,294	118	116	325	123	117¼	2,790	90
91	" " Pref.	93	90	48	94	94	1	93½	93½	5							95	93½	1,272	91
92	Russell Motor Car Com.				70	70	40													92
93	" " Pref.																			93
94	Sawyer-Massey Com.																			94
95	" " Pref.																			95
96	Shawinigan Water and Power Co.	121	119	426	111⅞	110½	1,279	120½	119	495	116½	111	3,111	119½	117½	372	118½	114¾	4,345	96
97	" " " New																			97
98	Sherwin-Williams Co. Com.	58	56	116				58	56	80				59	59	45				98
99	" " Pref.	99	99	10				99	98	22	100	99	67	98	98	10				99
100	Spanish River Paper & Pulp Co. Com.	14	13	325	14	13	135	19	12½	2,137	14½	13	2,017	16½	14	628	14⅜	13	1,633	100
101	" " " Pref.							53½	47	473	54½	50	1,936	50	48½	55	55	50	1,180	101
102	Steel Company of Canada Com.	59	53¾	4,888	66⅝	64	4,673	61	55½	10,895	74	64⅜	29,763	58½	51½	12,064	74½	71	9,525	102
103	" " Pref.	92	90	530	95½	92	169	92	90½	713	97	94¼	849	91	87½	357	98	97	486	103
104	Tooke Bros. Com.										24	19	413				30	23	528	104
105	" " Pref.							70	70	25	72¼	72¼	167	76	76	5	77	72¼	292	105
106	Toronto Railway	75	73	444	60	60	10	75½	74½	252	60	60	208	75	65	2,151	61	60	111	106
107	Tri-City Pref.																			107
108	Tuckett Tobacco Co. Com.							20	20	50	18½	18½	190	20	20	25	23	18½	320	108
109	" " Pref.	80	80	40										80	80	5	82½	82½	1	109
110	Twin City							85	85	25										110
111	West India Electric																			111
112	Winnipeg Electric							44	42	99	48	48	13	50	47	40				112
113	Wayagamack	97	60½	205	50	50	137	59	50	927	52⅜	50	2,368	56	51½	265	52½	50	1,265	113

MONTREAL STOCK EXCHANGE

Comparative Statement of Prices and Sales, October-December

	STOCKS	OCTOBER 1917 High	Low	Sales	OCTOBER 1918 High	Low	Sales	NOVEMBER 1917 High	Low	Sales	NOVEMBER 1918 High	Low	Sales	DECEMBER 1917 High	Low	Sales	DECEMBER 1918 High	Low	Sales	
1	Abitibi Com.	50	50	10	51½	48	160	48		5	48	48	50				49	48	300	1
2	" Pref.																90	90	110	2
3	Ames-Holden-McCready Com.	15	12	205	26¾	25¾	175				26	26	3							3
4	" Pref.				69¾	64½	940	47	47	5	67	66	27				62½	61	575	4
5	Asbestos Corporation Com.	15	12	340	33	30	255	15	15	4	38	30	1,546				46	37	4,475	5
6	" Pref.	47	44	18	60	59	545	46	46	70	60½	58	611	46	46	15	63	59¾	1,452	6
7	Bell Telephone	133	129	540	130	130	122	130	130	74	130	130	35	130	130	34	130	130	70	7
8	Brazilian T.L. & P.Co.	40	31¾	6,233	51½	48	10,800	32½	32	3,701	60	4 9	20,003	32	32	309	54	50⅝	2,482	8
9	British Columbia Fishing & Packing Co.	40	35	340	49¾	48¼	200				49	48	20				48	45½	215	9
10	Brompton	47	38	2,314	63¾	59¼	5,107	40	39	1,120	60½	57	2,060	40	39	1,237	61⅞	58½	3,017	10
11	Canada Cement Com.	59½	57	2,771	67¼	63	2,458	57½	57	465	64¾	59⅝	3,046	58¼	57	520	67½	62½	4,256	11
12	" Pref.	92	90	578	95½	94½	523	90	90	247	95	93	266	90	90	93	95½	94	480	12
13	Canada Foundries & Forgings Com.	150½	150½	25	209	197	697										201	194	670	13
14	" Pref.													76	76	10				14
15	Canada Steamship Lines, Ltd Com.	42½	38½	4,791	47¾	45	3,412	39¼	39¼	837	47½	44½	1,565	39¼	39½	50	50¾	44⅜	5,879	15
16	" " " Pref.	80½	76	1,969	77	76½	1,022	76	76	330	77	76	1,252	76	76	32	89½	76½	4,767	16
17	" " " Voting Trust				51	50	60	40	38	1,710	50	50	42							17
18	" " " New "																			18
19	Canadian Pacific Railway	148	140	100				135	131	161				132½	127¾	70				19
20	Canadian Car and Foundry Com.	22½	18	956	34	32	1,465	18½	18½	30	34	30	1,110	18½	18½	10	33½	25½	2,750	20
21	" " Pref.	54	50	1,101	87	84	695	49½	45½	190	85½	83	537	49½	49½	170	86⅜	83	2,180	21
22	Can. Consolidated Rubber Co. Com.							99¼	99¾	50										22
23	" " Pref.										97	97	138				98	97	42	23
24	Canadian Converters				49½	47	402				47	46	51				46	46	46	24
25	Canadian Cottons, Limited Com.	49	48½	57	68	68	100	49	48½	103	68½	67	355	48½	48½	43	69	68	306	25
26	" " Pref.	77	75	12	76	76	197	76	76	12	76	76	225	76	76	7	76	76	110	26
27	Canadian General Electric	103½	100	564	104½	102	171	101¼	101½	41	105	103	167	101½	101½	42	106¼	103¼	63	27
28	Canadian Locomotive Com.	59	58	20	64½	62⅞	480	58	58	18	67	64¾	1,580				66	63	395	28
29	" " Pref.	85	84½	90	86½	86	80	84½	84½	5	87	85	56				90	89	40	29
30	Carriage Factories Com.	16	15	235	15	15	1				15	15	20				15½	15	140	30
31	" Pref.																			31
32	Cedar Rapids																			32
33	Consolidated Min'g & Smelt. Co. $25 par	27	25	4,752	25	25	980	25	25	752	25	25	87	25	25	339	25	25	907	33
34	Crown Reserve Mining Co.	.25	.23	801													24	23½	6,350	34
35	Detroit United	110½	104¾	1,223				101¼	104¾	235										35
36	Dominion Bridge	139½	128	1,483	125	123	175	128	128	239				128	128	23	123	123	204	36
37	Dominion Canners Com.										30	30	50				35½	28	745½	37
38	" Pref.																72½	72½	50	38
39	Dominion Coal Pref.				94½	94½	50										94½	94¼	46	39
40	Dominion Steel Corporation Com.	60	52	15,713	64½	58½	24,524	54½	52	6,665	63½	59¾	14,697	53⅜	52	22,892	63½	60	10,987	40
41	" " " Pref.																			41
42	Dominion Iron and Steel Co. Pref.	89	87½	204	96¾	93	179	88	88	38	96¾	94	189	88	88	35	94	93	278	42
43	Dominion Textile Com.	82½	80½	610	96¾	95	835	80⅞	80⅜	187	99	95	2,433	80⅜	80⅜	336	101	96	2,430	43
44	" Pref.	101	99½	53	101	100	77	100½	100	50	101	100½	52				101	100	4	44
45	Duluth Superior Traction				42	42	25													45
46	Goodwins Limited Com.																			46
47	" Pref.																			47
48	Gould Manufacturing Co. Com.	100	100	110													45	45	35	48
49	" " Pref.	100	100	10													100	100	25	49
50	Hillcrest Collieries Com.										100	100	20				100	100	5	50
51	" Pref.										35	35	80				37	35⅜	125	51
52	Howard Smith Paper Mills Com.	65	65	6	66	66	50				66	66	50				65½	65½	100	52
53	" " Pref.										80	78	65							53
54	Illinois Traction Com.	32½	32⅜	7																54
55	" Pref.	80	79	14				80	80	11	80	80	1	80	80	4	80	80	28	55
56	Intercolonial Coal Com.																			56
57	Lake of the Woods Milling Co. Com.	120¾	120	105	161	154	133	120½	120½	40	156	156	5	120½	120½	90	167	150½	327	57
58	" " " Pref.																			58
59	Laurentide Co.	165	152	1,575	184	180¾	1,470	152	152	94	180	177¾	100	152	152	477	198	177	10,416	59
60	" " New																			60
61	Lyall Construction Co. Com.				82½	82	15													61
62	Macdonald Co., A., Ltd. Com.	18	13½	625	23½	20	3,981	13½	13½	45	21	19	806	13½	13½	35	22	20	449	62
63	Mackay Companies Com.	76	73½	68	78¾	78½	15							74½	74	160				63
64	" Pref.	62½	62½	12				61	60	14										64
65	Maple Leaf Milling Co. Com.	108	98	179	131½	125	636	104	98½	145	140	123	700	94	91	72	136½	127	1,808	65
66	" " " Pref.	92¾	92¾	15	96¾	94½	74													66
67	Min., St. Pl. & St. Ste. Marie (Soo) Com.																			67
68	Montreal Cottons, Limited Com.				59	58	162	50	50	25	59	58	55				59	58½	70	68
69	" " Com.	100	99	40	100	99¾	12				100	99½	865				100	99¾	72	69
70	Montreal Loan and Mortgage				160	160	1										152	152	4	70
71	Montreal Telegraph	120	119	195	120	120	46	120	120	50	120	120	85							71
72	Montreal Tramways	165	165	2																72
73	National Breweries Com.																			73
74	" " Pref.																			74
75	Nipissing $5 per share										50	50	121							75
76	Nova Scotia Steel and Coal Co. Com.	90	79	2,476	67	66	77	79½	79½	100	66	66	12	66	66	5				76
77	" Pref.				100	100	71	105½	105½	10	102	102	2							77
78	Ogilvie Flours Mills Co. Com.	143	140	285	195	185	145	140	140	194	200½	190	267	145	140	131	210	198	178	78
79	" " Pref.	110	107	6	106	106	100	110	110	5	107	106	7				110	110	10	79
80	Ontario Steel Products Com.	25½	25¼	25	32	32	25	22½	22½	5	29	27	75				26¼	25½	35	80
81	" Pref.				78	78	28													81
82	Ottawa L. H. & P.	69¾	69¾	15	81	81	25				82	82	10							82
83	Paton Manufacturing										124	124	10							83
84	Penman's Limited Com.	69	64	365	84	81	553	66	65	42	83	79	231	65	65	11	79½	78	111	84
85	" " Pref.	82	81¾	94	85½	84½	36	81⅞	81⅞	35	85½	85½	25	81⅞	81⅞	5	85½	85¼	60	85
86	Porto Rico Com.																			86
87	Price Bros. Com.				151	150	52	120	120	105							147½	147½	100	87
88	" Pref.																			88
89	Quebec Railway, Light, Heat & Power Co.	17½	14¾	2,076	21¾	18½	3,684	15	15	93	19½	18	910	15	15	20	19	17½	236	89
90	Riordon Pulp & Paper Co. Com.	122	115	1,394	122	118	177	117½	117½	31	118	117½	110				117⅜	117¼	258	90
91	" " Pref.	94	91	45	94	93¾	525	92½	92	17				92	92	8	95	95	15	91
92	Russell Motor Car Com.																			92
93	" Pref.																			93
94	Sawyer-Massey Com.																			94
95	" Pref.																			95
96	Shawinigan Water and Power Co.	116	107	2,304	118	115	886	107	107	1,197	118	114½	1,591	107	107	336	117½	114½	8,204	96
97	" " New																			97
98	Sherwin-Williams Com.	60	59	362																98
99	" Pref.	98	98	7	99	99	6	99	99	3	99	99	1				99	99	5	99
100	Spanish River Paper & Pulp Co. Com.	15	13	788	20	14	10,952	13	13	80	16½	14⅜	1,423				19	15	4,631	100
101	" Pref.	49	49	2	62	53½	3,830				58	54½	145				64½	55	4,091	101
102	Steel Company of Canada Com.	55⅜	49½	7,678	72½	62½	13,143	50⅜	49½	3,743	63½	57⅝	8,377	50½	49½	2,141	65¼	59½	9,215	102
103	" " Pref.	88	85	360	97½	94½	216	85½	85¼	17	94½	92½	178	85¼	85¼	15	95	93	635	103
104	Tooke Bros. Com.				30	23	528							19	19	4				104
105	" Pref.				77	72¼	292							72½	72½	10				105
106	Toronto Railway	65½	60	747	60	60	55	60	60	264				60½	60	268				106
107	Tri-City Pref.																			107
108	Tuckett Tobacco Co. Com.	18½	18½	25													24	20	160	108
109	" Pref.																			109
110	Twin City	79½	79½	10				71	69	75	52½	52¾	10				48⅜	48½	34	110
111	West India Electric																			111
112	Winnipeg Electric	48	48	50																112
113	Wayagamack	50½	50	55	52	50	55	50	50	5	53	50	4,020				55	50	5,186	113

BONDS QUOTED ON MONTREAL STOCK EXCHANGE

Comparative Statement of Prices and Sales, January-July

BONDS	1917 JANUARY			1918			1917 FEBRUARY			1918			1917 MARCH			1918		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
Ames-Holden-McCready																		
Asbestos Corporation	73	70	$17,375	74½	72	$3,500	76	70	$738	72	72	$1,000	70½	70½	$300	70	70	$40,000
Bell Telephone	99½	98½	6,500	92⅝	92⅝	2,000	99	99	500	91⅜	91¾	5,000				93½	93	3,000
Canadian Car & Foundry																		
Canada Cement	98	96½	17,000	96½	96	3,500	97¾	97¼	2,000	97	96½	7,200	97½	97	41,000	97	97	1,000
Canadian Consolidated Felt										92	92	1,000						
Canadian Converters				82	82	3,000				82	92	3,000						
Canadian Consolidated Rubber	97	96	7,000															
Canadian Cottons	83	82½	8,700				82	80	2,000									
Canadian Locomotive																		
Cedar Rapids	92	89¾	24,900				91¼	90	26,500	84	83½	26,600	91	90	18,200	84	83	20,000
Canada Steamships Deb.	78	78	1,400															
Dominion Canners																		
Dominion Coal	93	93	7,000	85	85	12,500	94	94	8,500	85	85	2,500	94½	94½	10,500	85	85	3,000
Dominion Cotton	99	99	1,000				99	99	2,000	99	97½	3,500	99	98	30,000	97	97	3,000
Dominion Iron and Steel	87½	86½	28,000				87½	87	9,000	86½	86½	2,000	87½	87	19,000	84	84	40,000
Dominion of Canada War Loan 1925	99	97½	274,500	95¼	94⅓	51,400	98⅛	97	1,498,700	95⅜	94¼	34,900	97⅛	96⅜	190,800	94⅜	93	53,800
" " " " 1931	97	97½	1,010,900	93½	92	106,300	98⅛	96	671,500	93¾	93	37,700	97	95⅞	161,900	93½	92	29,800
" " " " 1937				93¾	92	140,200				93½	92⅝	52,100				93	91¼	103,900
Dominion Textile Company, A	98	98	2,250	98	98	2,750	98	97	12,500									
" " " B	98	98	1,000	98	98	250	99½	99½	1,000	97	97	1,000	99½	98¾	1,500			
" " " C	97	97	1,000										99	98½	3,000			
" " " D																		
Lake of the Woods Milling Co.	104	104	1,000															
Laurentide Paper Co	101	101	9,000															
Lyall Construction Co				93	93	20,200				93	93	5,000	85½	85½	5,500	93	93	3,500
Montreal Light, Heat and Power 4½	96	96	6,000				93¼	93	18,000	81¾	81¾	1,000	93	93	6,000			
Montreal Street Railway																		
Montreal Tram																		
" " Debenture Stock	76	75	20,901	72⅝	72¾	3,200	75	75	13,300	76	72⅝	54,900	77	73½	18,900	76⅛	72⅝	9,700
National Breweries, Ltd	90¼	86½	24,500				87	87	5,000				83⅜	80	1,500	77½	76	7,000
Nova Scotia Steel & Coal Co	89	88½	2,000	82	82	1,700	88½	87	6,000				87	86	11,000	69	69	500
Ogilvie Flour A	103½	103	12,000				103½	103½	2,000									
" B	103	103	4,000				103	103	1,000									
" C	103¼	103¼	25,000				103	102⅜	2,000									
Ontario Steel Products, Ltd																		
Penmans							85	85	1,000									
Porto Rico																		
Price Bros.	85	85	500															
Quebec Railway, Light and Power Co.	71	70	3,600	60	60	11,000	68	68	1,000	60	60	2,700	68	65	23,000	57	57	1,000
Rio de Janeiro																		
Riordon Paper Deb.				95¼	95	3,500							97	97	4,000	94½	94½	1,000
Sherwin-Williams Co	99	99	1,500	98	97½	3,000	99¼	99¼	100							98	98	1,500
Spanish River																		
Steel Co. of Canada	97	97	3,500				97	97	2,500				100	96	3,000	95	88½	1,400
Wayagamack	90	86	69,500	80	80	100	90	87½	41,000	84	77	6,900	87	86	8,000	77	77	1,500
Winnipeg Electric	95	95	13,000															
Winnipeg Street Railway				97	90	22,000	96	96	1,500									
Windsor Hotel							80	80	4,000									
RIGHTS																		
Detroit							3	2½	4,996				3½	2⅜	30,014			
Nova Scotia Steel																		

BONDS	1917 APRIL			1918			1917 MAY			1918			1917 JUNE			1918			1917 JULY			1918		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
Ames-Holden-McCready				88	88	$19,000																		
Asbestos Corporation	72	72	$6,500				74	72	$336	70	70	$1,000	80	72	$150				75½	72	$2,275	75	70	$12,800
Bell Telephone	97½	97	6,000				98	96½	12,000				96½	94½	26,000	93	93	$1,000	95½	94½	7,000			
Canadian Car & Foundry																								
Canada Cement	98	97	36,500	96⅞	96⅞	2,000	97¼	97	24,200	96½	96½	100	98	97¼	34,900	96⅞	96	8,000	97½	97	7,900	96	96	4,500
Canadian Consolidated Felt	95	95	2,000													82	82	1,000	83	83	1,000			
Canadian Converters																			94¼	94½	2,000			
Canadian Consolidated Rubber	95	95	5,000	94	93	1,400	95	94½	22,000				94½	94½	2,000				81	80	3,000	80½	80	3,000
Canadian Cottons				81	81	3,000	83	82½	1,000				83	80	5,000	80½	80½	2,000						
Canadian Locomotive				85	85	*2,000										88	85	2,500						
Cedar Rapids	90	89	10,200	84½	84	11,200	90	88	24,000	85	85	2,200	87½	86	17,800	84	83	4,900	86	86	3,200	85	83	18,900
Canada Steamships Deb.																			78½	77	4,000			
Dominion Canners																								
Dominion Coal	95	95	1,500				93½	91	14,500	87⅞	87⅛	1,000				89	87	9,000	89¾	89	6,500	90	90	3,000
Dominion Cotton	99	98	2,500	96	96	1,500	98½	98½	11,500	96	95¾	12,000	97½	97½	6,000	96	95⅜	1,500	98½	98	4,000	97	96	10,500
Dominion Iron and Steel	87½	85	27,000	86½	84	6,000	87	86	21,000	86	84	8,000	87	87	7,000	86	84	5,000	87	86	12,000	85	84	6,000
Dominion of Canada War Loan 1925	97⅞	96⅜	130,100	94½	93½	28,900	97⅜	96½	185,100	95¼	94¼	56,400	97½	96½	200,400	95⅝	95	32,600	98	97½	102,600	96	95	54,300
" " " " 1931	96¼	95¼	60,700	92⅜	92	163,000	96⅛	95	66,100	94	92⅜	40,400	95	93½	78,800	95	93½	82,600	96	93½	210,600	95¼	94⅜	102,300
" " " " 1937				92¼	91½	55,100				93½	92	136,200				94	92½	211,800				94	93½	146,300
Dominion Textile Company, A				97½	97½	2,250	99	98	4,750	95	95	2,000				95¾	95¼	500				97	97	1,500
" " " B										96½	96½	5,000				97½	97½	1,000	99½	98	3,250			
" " " C	99	99	3,000				98⅜	98½	3,000	95	95	2,000							98⅜	98⅜	1,000			
" " " D													98¾	98¾	2,000	96	96	1,000						
Lake of the Woods Milling Co.	103	103	8,000	100½	100½	3,000	102½	102	3,000															
Laurentide Paper Co				101	101	1,000													101	101	5,000			
Lyall Construction Co	84	84	900	93	93	4,500	85	85	4,000	93	93	6,000	86	85½	15,000				88⅜	88⅜	2,000			
Montreal Light, Heat and Power 4½	91½	91½	1,000	81⅜	81⅜	1,000	91	90	17,000										88½	87¼	14,000	82⅜	82⅜	2,000
Montreal Street Railway																								
Montreal Tram																								
" " Debenture Stock	75	75	2,800	72¾	72⅜	11,300	75½	74¾	51,000	72⅜	72¼	11,100	74	72	6,800	72⅜	72¼	5,600	74⅜	73	9,100	72⅜	72¼	3,100
National Breweries, Ltd				75	75	18,000										90	88	8,500	85	85	1,000			
Nova Scotia Steel & Coal Co	87	87	1,000	77	77	300	84⅜	84⅜	1,000				83	83	1,000									
Ogilvie Flour A				100	100	1,000				100	100	1,000							102¾	102½	3,000			
Ogilvie Flour B							102⅜	102⅜	5,000															
Ogilvie Flour C	103¼	103¼	2,000	100	100	3,000	102¾	102¾	2,000				102½	102½	2,000	100½	100	7,000						
Ontario Steel Products, Ltd																								
Penmans										85½	85½	1,000							87½	87½	1,000	86¼	86	2,000
Porto Rico																								
Price Bros.	83	83	1,420	80	80	480	83	83	1,000				83	83	1,500				83	83	3 800	81⅝	81¾	200
Quebec Railway, Light and Power Co.	65	65	15,000	57	57	3,000	68	65¼	400	60½	57	14,800	65½	60	2,800	57¼	57¼	1,000	62½	52	8,000	58	57	4,600
Rio de Janeiro																								
Riordon Paper Deb.	97	96¼	2,000				96½	96½	2,000													94	92⅝	5,000
Sherwin-Williams Co	100¼	98½	4,200				100	100	500							98	98	500						
Spanish River	86	86	500																					
Steel Co. of Canada	100	99	12,000	92½	89	1,300	99½	98⅜	12,000	92½	92¼	3,000	97¼	96	2,000	92½	92	19,000	96⅜	96⅜	2,000	93¾	93	10,100
Wayagamack	87	84	8,100	76½	74½	8,000	86	84	9,700	75	73½	4,900	86	84	4,100	76	74½	5,100	84½	83½	8,700	76	75	12,200
Winnipeg Electric							94	94	2,000				92	92	1,000				92	92	1,000			
Winnipeg Street Railway							98¾	98¾	1,000															
Windsor Hotel																								
RIGHTS																								
Detroit																			35	1½	4,733			
Nova Scotia Steel																								

BONDS QUOTED ON MONTREAL STOCK EXCHANGE

Comparative Statement of Prices and Sales, August-December

BONDS	1917 AUGUST High	Low	Sales	1918 High	Low	Sales	1917 SEPTEMBER High	Low	Sales	1918 High	Low	Sales	1917 OCTOBER High	Low	Sales	1918 High	Low	Sales
Ames-Holden-McCready																		
Asbestos Corporation	72	72	$200	70½	70	$68,500	72	72	$1,000	70	70	$37,850	76½	72	$6,125	75	72	$300
Bell Telephone	96½	95	4,500	87½	87½	10,000	95½	92½	13,000				93⅝	92¼	7,000	87½	87½	1,000
Canadian Car & Foundry							97½	97½	5,000									
Canada Cement	98	97	6,000	96	95½	3,500	98	97	18,800	97	96½	17,200	97½	97	5,100	98	97	13,700
Canadian Consolidated Felt																		
Canadian Converters													82	82	1,000			
Canadian Consolidated Rubber	94¼	94¼	3,000	90	87	16,000	94	94	1,000	90	88½	7,100	94½	94½	4,500			
Canadian Cottons	81	80	3,500	80	80	5,000	81	80	5,500	80	80	23,000				80	80	4,000
Canadian Locomotive				90	90	1,000												
Cedar Rapids	85½	85½	6,500	84	84	1,500	85½	85	4,300	82½	82	12,600	84½	84	7,700	82	80	13,300
Canada Steamships Deb.	78⅝	78	7,900															
Dominion Canners	89½	89½	1,000															
Dominion Coal	90½	90	3,000							92	92	10,000	84⅞	83	4,000	92	90	7,000
Dominion Cotton	98¼	93½	1,500	97	97	4,000	98½	98¼	1,000	97	97	1,000	99½	99¼	1,000	97	97	9,000
Dominion Iron and Steel	88	88	15,000	85	85	9,000	88	87	21,000	86	86	11,000	87½	86¼	12,000			
Dominion of Canada War Loan 1925	98	97	52,400	96½	95½	23,400	97½	96⅝	72,900	96½	96	29,200	97½	95⅝	272,000	97	96	36,900
" " " " 1931	96¼	95¼	234,000	95½	94⅝	124,600	96½	95⅝	193,800	95⅝	95½	117,300	96	94	199,000	96½	95½	92,600
" " " " 1937	96	95	1,325,600	94⅛	93¼	150,100	95½	94⅛	1,029,600	94½	93⅝	499,700	95	94	667,800	94½	93⅝	380,500
Dominion Textile Company, A							99½	99	2,000	98½	96	3,750	97½	97¼	3,000	98	98	9,000
" " " B										96	96	500				96	96	2,000
" " " C																		
" " " D							99	99	9,000				97½	97½	5,000	97½	95	4,500
Lake of the Woods Milling Co	99¾	99¾	1,000							98	98	1,000						
Laurentide Paper Co	101	101	1,000							100	100	4,000						
Lyall Construction Co	91	83½	6,300										101¼	101¼	10,000			
Montreal Light, Heat and Power 4½%							93	92	20,000	93	93	300	93	93	3,000			
Montreal Street Railway													88	88	3,000	82	82	1,000
Montreal Tram																		
" " Debenture Stock	74¾	73	8,500	76½	72¾	7,500	75	74	11,200	72¾	72¾	7,000	74¾	72	4,400	72¾	72¾	3,400
National Breweries, Ltd							81	81	1,000	89½	88	10,000				89	89	5,000
Nova Scotia Steel & Coal Co	83	83	5,100	83	81½	2,100	83	82	12,500				82	82	1,000	81½	81	4,500
Ogilvie Flour A	103	103	1,000				103	103	1,000	100½	100½	5,000	102¾	102¾	1,000	100	100	10,000
" B							102¾	102¾	1,000									
" C				100	100	6,000												
Ontario Steel Products, Ltd										93	93	13,000	86¾	86¾	19,200	93	93	2,500
Penmans				86	85½	15,000	86	86	1,000				86	86	1,000			
Porto Rico																		
Price Bros	83	83	2,000				83	83	100				81¾	81¾	11,500	82	82	4,000
Quebec Railway, Light and Power Co	62½	62	24,000	59¾	57	8,000	61	60	3,000	60	58	13,400	60	60	5,000	60	59½	5,000
Rio de Janeiro																		
Riordon Paper Deb.				92¾	92¾	3,000				93	93	11,000				92½	92½	9,000
Sherwin-Williams Co							99	99	2,000							98	98	1,000
Spanish River	81½	81¾	2,000															
Steel Co. of Canada	96¼	96	2,800	95	93	700	95	95	1,000	93½	93½	1,500	92	92	6,000	94⅛	93¼	8,100
Wayagamack	83¾	83	3,190	78½	78	14,000	81½	80	11,500	80	78	17,700	81½	80	15,500	81	77	30,700
Winnipeg Electric																		
Winnipeg Street Railway																		
Windsor Hotel																		
RIGHTS																		
Detroit																		
Nova Scotia Steel																		

BONDS	1917 NOVEMBER High	Low	Sales	1918 High	Low	Sales	1917 DECEMBER High	Low	Sales	1918 High	Low	Sales	1915 High	Low	Sales	1916 High	Low	Sales	1917 High	Low	Sales	1918 High	Low	Sales
Ames-Holden-McCready										89	89	$50,000	97	97	$500	88	88	$1,000				89	88	$69,000
Asbestos Corporation				75	74	$28,350	72	72	$10,000	75	75	67,925				72½	72½	6,000	80	70	$44,999	75	70	261,225
Bell Telephone				88½	88½	1,000				91	90	14,000	100	96½	200,000	100½	97	57,500	99½	92¾	82,500	93⅛	87½	37,000
Canadian Car & Foundry													102	100	8,000	100	96⅞	52,700	97½	97½	5,000			
Canada Cement	96½	96½	$1,000	97	97	1,000				98	97	3,600	94¼	92	149,500	100	92	411,200	98	96½	194,400	98	95½	65,300
Canadian Consolidated Felt																			95	95	2,000	92	92	1,000
Canadian Converters							82	82	3,000										83	82	5,000	82	82	7,000
Canadian Consolidated Rubber																83	80	7,000	83	82	5,000	82	82	7,000
Canadian Cottons	80	80	15,300										91	88	92,700	102½	90	115,900	97	94	46,500	94	87	24,500
Canadian Locomotive	85	85	500							80	80	1,300	80½	78	41,900	83½	78	128,200	83	80	28,700	81	80	56,600
Cedar Rapids	84	84	500	88½	83½	161,000	84	84	600	89	87½	115,800	90	90	1,000	94½	88	21,000				90	85	6,000
Canada Steamships Deb.	80	80	18,500										86½	85	82,600	92	85	829,700	92	84	144,400	89	80	388,000
Dominion Canners																			80	77	31,800			
Dominion Coal	84½	84½	4,000							89½	89½	2,000				90	90	2,000	89½	89½	1,000	89½	89½	2,000
Dominion Cotton				98	97	4,500	85	85	5,000	91½	90½	1,500	95	95	27,500	95½	93	62,000	95	83	64,500	92	85	49,500
Dominion Iron and Steel	86½	86½	3,000	84½	84	4,000							101	98	179,500	99½	98½	159,500	99½	97½	60,500	99	95½	50,500
Dominion of Canada War Loan 1925	96½	95	207,600	96½	96	10,800	95½	94½	108,600	85½	85½	10,000	90	85	184,000	90½	85	215,100	88	85	174,000	86½	84	101,000
" " " " 1931	95½	94½	281,500	96½	95⅝	17,500	95	91¼	57,700	96½	95	68,200	98	92½	71,100	100	97	7,388,600	99	95	3,295,700	97	93	480,800
" " " " 1937	94½	92½	317,500	96	94	689,600	94	92	171,200	96½	95	110,900				99½	98	1,699,800	99	91⅞	3,226,500	96½	92	1,025,000
Dominion Textile Company, A	98½	98½	2,000	98	97	1,250	97½	95⅝	287,100										96	92	3,516,700	97⅝	91¼	2,852,600
" " " B													100	97	15,500	98	96	40,250	99½	97	26,500	98½	95	23,000
" " " C													100½	97	12,250	99½	97	26,250	99½	98	6,750	98	96	9,750
" " " D				96	96	2,000							100	97	23,000	98	96	33,000	99	97	25,000	97½	94	13,250
Lake of the Woods Milling Co										97	94	4,750	98	98	1,000	97	96½	10,000	98⅞	98⅝	2,000	98	96	2,000
Laurentide Paper Co													103	100	3,000	104½	102	25,000	104	99¼	13,000	100½	100	7,000
Lyall Construction Co													101	101	1,000	101	101	31,000	101½	101	25,000	101	101	1,000
Montreal Light, Heat and Power 4½%										92	92	2,500	84	84	5,000	83½	81⅞	39,600	93	84	56,700	93	92	42,000
Montreal Street Railway	82	82	7,000	83	82¼	28,000				87	83	2,000	96	95	41,000	96	92	204,000	96	82	72,000	87	81½	33,000
Montreal Tram										90½	90½	500	100	100	8,000	97	97	13,200				90½	90½	500
Nova Scotia Steel & Coal Co													96	96	1,000	95⅞	91½	20,000						
Ogilvie Flour A	72¾	72¾	1,700	72¾	72¾	2,700	72¾	72¾	1,000	72¾	72¾	1,600	81½	81¼	61,000	81¼	75	122,700	77	72	149,601	76½	72¾	121,100
" B				90	90	5,000				90	90	9,000	101	99	63,500	95	90	32,500	90¼	80	33,000	90	75	62,500
" C							82	82	500	83	83	5,000	85½	84	11,400	90	84	133,700	89	82	40,600	83	69	14,100
" D													103	103	6,000	104	103	21,000	103½	102½	20,000	103½	100	17,000
Penmans													104	102	6,000	100	100	4,000	103	102½	11,000			
Porto Rico	100	100	1,000										104	102½	15,000	103½	103	41 000	103⅜	102½	33,000	100½	100	17,000
Price Bros													85	85	3,000	86	81	1,500	86⅜	86⅛	19,200	93	93	15,500
Quebec Railway, Light and Power Co	87	87	2,000				86	86	500	87½	87½	4,000				84½	84½	3,000	87½	85	4,500	87½	85½	24,000
Rio de Janeiro													80	80	1,000	87½	80	5,500						
Riordon Paper Deb.	85	85	25,000							84½	84¼	22,000	78	75	37,900	87½	78⅛	94,500	85	81¾	21,820	85	80	51,680
Sherwin-Williams Co	60	60	3,000	60½	59¾	13,000				60⅝	60	8,100	58	45	354,900	72	50	597,400	71	52	98,800	60⅝	57	85,600
Spanish River																								
Steel Co. of Canada	93	93	1,000							94	94	5,000							97	96½	8,000	95½	92½	38,500
Wayagamack													100	97	61,500	101	98	50 800	100½	98½	8,300	89	97½	7,500
Winnipeg Electric																84	80	9,500	86	81¾	2,500			
Winnipeg Street Railway	90	90	500							94½	94½	3,000	90	88	37,666	97	89	85,273	100	90	47,300	95	88½	48 100
Windsor Hotel	80	80	1,100	81	79½	6,500				81	80	40,700				90	82	496,000	90	80	180,300	84	73½	148,300
RIGHTS																97	94	21,500	95	92	17,000			
Detroit													97¼	97¼	1,000	95	95	3,000	98½	96	2,500	97	90	22,000
Nova Scotia Steel																			80	80	4,000			
																			3½	2½	35,010			
																			35	1½	4,733			

BANKS QUOTED ON MONTREAL STOCK EXCHANGE

Comparative Statement of Prices and Sales during 1917 and 1918

JANUARY

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America	112	112	10			
Commerce	186½	184½	91	185	185	6
Dominion						
Hamilton						
Hochelaga	145	145	103	140	140	4
Imperial						
Merchants	170	167½	303	167	167	90
Molsons	181	179½	129			
Montreal	234	232	308	210	210	79
Nationale						
Nova Scotia	255	255	14	248	248	12
Ottawa						
Royal	214	212	379	208	208	176
Standard						
Toronto	191¾	190	30			
Union	137	137	23	140	140	2

FEBRUARY

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America				112	112	2
Commerce	186½	185	47	185	185	69
Dominion						
Hamilton						
Hochelaga	145	145	367	140	140	29
Imperial						
Merchants	170	168½	137	167	167	34
Molsons	180	180	6			
Montreal	234	225	42	210	210	10
Nationale	134	134	2			
Nova Scotia	256	255	45	248	248	191
Ottawa	200	200	10			
Royal	213½	212	159	208	208	120
Standard						
Toronto						
Union	140	138	40	143	140	20

MARCH

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America	112	112	1	112	112	1
Commerce	188	185	310	185	185	81
Dominion				202	202	12
Hamilton						
Hochelaga	145	143½	21	140	140	4
Imperial						
Merchants	170	169	79	167	167	68
Molsons	180	180	18	179⅜	179⅜	9
Montreal	226	222	151	210	210	50
Nationale	134	134	2	148	148	2
Nova Scotia	257½	257	59	248	248	28
Ottawa	202	202	1			
Royal	213	212	121	208	208	2
Standard						
Toronto						
Union	139	138	48	145	145	23

APRIL

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America	112	112	1			
Commerce	186½	185½	151	185	185	184
Dominion						
Hamilton						
Hochelaga	145	144	23			
Imperial						
Merchants	170	168	120	167	167	278
Molsons	185	182	87	179⅞	179⅞	53
Montreal	222	219	99	210	210	255
Nationale						
Nova Scotia	254½	253	21	248	248	16
Ottawa						
Royal	213	212	77	208	208	35
Standard						
Toronto						
Union	139	138	50	150¾	145	133

MAY

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America						
Commerce	188	185	233	185	185	96
Dominion						
Hamilton						
Hochelaga	145	145	68	140	140	68
Imperial						
Merchants	170	167½	86	167	167	79
Molsons	186	182	40	179¾	179⅞	4
Montreal	219	215	81	210	210	18
Nationale						
Nova Scotia	255	254	144	248	248	19
Ottawa						
Royal	213	210	128	208	208	84
Standard						
Toronto	190	190	10			
Union	141	139	45	150	150	12

JUNE

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America						
Commerce	186	185	155	185½	185	150
Dominion				202	202	24
Hamilton						
Hochelaga						
Imperial				185	185	5
Merchants	170	168½	88	167	167	65
Molsons	184	179½	171			
Montreal	216	215	233	210	210	207
Nationale						
Nova Scotia	255	253	34	248	248	39
Ottawa						
Royal	213	211	117	208	208	25
Standard						
Toronto						
Union	141	139	27	150	149	58

JULY

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America						
Commerce	186	185	321	185	185	57
Dominion				202	202	2
Hamilton						
Hochelaga	143	143	65	140	140	22
Imperial				185	185	5
Merchants	170	167	126	167	167	83
Molsons	180½	180	11			
Montreal	219	215	187	210	210	42
Nationale	149	148	11			
Nova Scotia	253	253	4	248	248	1
Ottawa	202	202	10	201	201	5
Royal	212	210¾	126	208	208	75
Standard						
Toronto	188	188	50			
Union	141	140	17	159¾	150	67

AUGUST

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America						
Commerce	186½	183	205	185	185	226
Dominion						
Hamilton						
Hochelaga	143	142½	25	140	140	108
Imperial						
Merchants	170	167½	83	167	167	90
Molsons	185	180	8	179½	179⅞	5
Montreal	216½	214	11	210	210	39
Nationale				148	148	5
Nova Scotia	253	253	20	248	248	17
Ottawa	200	200	5			
Royal	213	210½	195	208	208	129
Standard						
Toronto						
Union	141½	140	43	161	154¾	96

SEPTEMBER

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America	112	112	1			
Commerce	185	183½	256	185	185	40
Dominion				202	202	50
Hamilton						
Hochelaga	142	141⅞	9	140	140	22
Imperial						
Merchants	170	169	13	168	167	127
Molsons	183	183	17	179⅞	179⅞	35
Montreal	215	213	39	210	210	172
Nationale						
Nova Scotia	253	250	14	248	248	1
Ottawa	200	200	2			
Royal	210½	209½	168	208	208	149
Standard						
Toronto	190	190	2			
Union	140	138	6	155	154½	96

OCTOBER

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America						
Commerce	185½	185	86	186¼	185	41
Dominion						
Hamilton						
Hochelaga	142	140	81	140	140	87
Imperial				185	185	10
Merchants	170	167	120	168	167	86
Molsons	181	179½	107	179⅞	179¾	26
Montreal	214	210	356	210	210	61
Nationale	148½	148½	5			
Nova Scotia	250	248½	37	248	248	6
Ottawa						
Royal	210½	208	109	208	208	285
Standard	201	201	5			
Toronto						
Union	138	135	191	154½	153½	28

NOVEMBER

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America						
Commerce	185	185	18	188¼	185	28
Dominion						
Hamilton						
Hochelaga	140	140	38	140	140	35
Imperial						
Merchants	167	167	130	167	167	66
Molsons	179⅞	179¼	143	179⅞	179¼	11
Montreal	210	210	12	210	210	99
Nationale						
Nova Scotia				248	248	200
Ottawa						
Royal	208	208	67	208	208	411
Standard						
Toronto						
Union	139	136	157	154	154	3

DECEMBER

BANKS	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
British North America						
Commerce	185	185	9	201¼	185½	337
Dominion				209½	205	12
Hamilton						
Hochelaga	140	140	23	143	140	45
Imperial				198	198	25
Merchants	168	167	117	180	167	179
Molsons				179⅞	179⅞	102
Montreal	210	210	44	216	210	148
Nationale				148	148	5
Nova Scotia	248	248	3	255	248	68
Ottawa				203	201½	29
Royal	208	208	47	215	208	475
Standard						
Toronto	187	187	1	193	187½	10
Union	137	136	382	160	154½	99

1915

BANKS	High	Low	Sales
British North America	145	145	69
Commerce	203	203	87
Dominion			
Hamilton			
Hochelaga	201	201	10
Imperial	149	149	143
Merchants	180	180	351
Molsons	201	201	115
Montreal	240	234	2,145
Nationale	132¾	132¾	1
Nova Scotia	261	261	194
Ottawa	207	207	36
Royal	221¼	221¼	340
Standard			
Toronto	211	211	4
Union	140	140	305

1916

BANKS	High	Low	Sales
British North America	112	110	45
Commerce	203	180	1,095
Dominion	227	227	2
Hamilton			
Hochelaga	149	145	355
Imperial			
Merchants	180	166	1,003
Molsons	201	182	139
Montreal	235	219	1,675
Nationale	134	134	2
Nova Scotia	261	254	650
Ottawa	207	200½	31
Royal	222¼	210	1,259
Standard			
Toronto	197½	190	11
Union	140	132	635

1917

BANKS	High	Low	Sales
British North America	112	112	13
Commerce	188	183	1,882
Dominion			
Hamilton			
Hochelaga	145	140	823
Imperial			
Merchants	170	167	1,402
Molsons	186	179½	794
Montreal	234	210	1,563
Nationale	149	134	20
Nova Scotia	257½	248	395
Ottawa	202	200	28
Royal	214	208	1,693
Standard	201	201	5
Toronto	191¾	187	93
Union	141½	135	10,029

1918

BANKS	High	Low	Sales
British North America	112	112	3
Commerce	201¾	185	1,315
Dominion	209½	202	100
Hamilton			
Hochelaga	143	140	424
Imperial	198	185	45
Merchants	180	167	1,345
Molsons	179⅞	179¾	245
Montreal	216	210	1,180
Nationale	148	148	12
Nova Scotia	255	248	598
Ottawa	203	201	34
Royal	215	208	1,966
Standard			
Toronto	193	187½	10
Union	161	140	637

Mr. T. S. G. Pepler, late manager of the bond department of A. H. Martens and Company, begs to announce the opening of offices in the Royal Bank Building, Toronto, where he will engage in the buying and selling of government and municipal bonds. The firm will operate under the name of T. S. G. Pepler and Company.

The Bank of Liverpool has absorbed Martins Bank, Limited, thus securing a seat in the London's Bank Clearing House. Martins Bank was one of the few remaining private banks. It was established in the sixteenth century. It has a capital of £500,000, a reserve fund of £189,000, and its deposits, according to the last report, June 30th, were £5,321,000. The Bank of Liverpool's capital is £1,733,890; reserve fund, £900,000, and deposits £50,231,000.

The recent influenza epidemic cost the city of Montreal $23,836.96 in the preparation and operation of emergency hospitals. This was the amount the city commissioners voted on the recommendation of the director of public health, to pay the expenses of the city in combatting the disease.

STOCK MARKETS IN 1918

Record of High and Low Prices and Total Sales for the year, on Montreal and Toronto Stock Exchanges

MONTREAL

STOCKS		1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Abitibi	Com.	58½	48	270	51½	48	1,240
"	Pref.	90	88½	130	90	90	110
Ames-Holden-McCready	Com.	23¾	12	2,820	28	15	10,969
"	Pref.	61	47	1,730	72½	47	14,515
Asbestos Corporation	Com.	21	12	570½	46	15	9,246½
"	Pref.	53	42	485	63	44¾	6,469
Bell Telephone		150	129	2,438	132½	130	1,600
Brazilian T.L. & P. Co.		47¾	31¾	43,102	60	32	61,285
British Columbia Fishing & Packing Co.		56	35	865	52½	40	5,728
Brompton		58½	38	17,541	63½	41¾	42,121
Canada Cement	Com.	69	57	31,887½	69½	57	35,952
"	Pref.	95¾	90	5,240	95¾	90	5,406
Canada Foundries & Forgings	Com.	205	139½	2,971	213	150	13,666
"	Pref.	85	76	75	93½	84½	205
Canada Steamship Lines, Ltd.	Com.	45¾	29¾	54,115	50¾	39¼	44,985
"	Pref.	93¾	76	19,866	80½	76	19,740
" " "	Voting Trust	41	33	3,337	51	38½	4,099
" " "	New	43½	39	450			
Canadian Pacific Railway		165	127¾	1,072	173	144½	223
Canadian Car and Foundry	Com.	46½	18	24,653	38½	18½	23,105
"	Pref.	89	49½	29,908	92	49½	24,113
Can. Consolidated Rubber Co.	Com.	99¾	90	158	100	100	25
"	Pref.	97	95	82	98	97	191
Canadian Converters		43	39	998	50	43	3,738
Canadian Cottons, Limited	Com.	56	46¾	1,584	70	48½	4,263
"	Pref.	82	75	1,519	76	76	1,707
Canadian General Electric		114¾	100	4,523	106¼	101½	2,715
Canadian Locomotive	Com.	64	52½	7,973	69	58	7,367
"	Pref.	90	83½	364	90	84½	270
Carriage Factories	Com.	25	9	2,760	15½	15	176
"	Pref.						
Cedar Rapids		79	79	2			
Consolidated Min'g & Smelt. Co., $25 par		35¼	24	41,381	26	25	20,593
Crown Reserve Mining Co.		44	23½	31,339	24	23½	6,350
Detroit United		128	104¾	43,687			
Dominion Bridge		170	125	19,144	128	123	4,898
Dominion Canners	Com.	26	19½	615	43	23¾	2,646
"	Pref.	65	65	100	80	72½	60
Dominion Coal	Pref.	96¼	85	119	95	94½	381
Dominion Steel Corporation	Com.	71¼	52	257,161	65	53¼	134,613
"	Pref.				91	91	15
Dominion Iron and Steel Co.	Pref.	95	87½	2,479	90	88	3,584
Dominion Textile	Com.	89	76¼	7,378	101	80¾	19,373
"	Pref.	105	99½	390	102	100	333
Duluth Superior Traction					42	42	25
Goodwins Limited	Com.				15	11	25
"	Pref.	45	43	29	45	45	45
Gould Manufacturing Co.	Com.	100	100	217	100	100	25
"	Pref.	100	100	95	100	100	70
Hillcrest Collieries	Com.	15	14¾	300	40	15	1,185
"	Pref.						
Howard Smith Paper Mills	Com.	74½	65	604	66	65	447
"	Pref.				80	65	540
Illinois Traction	Com.	35	32½	92			
"	Pref.	89	79	916	80	80	104
Intercolonial Coal	Com.	25	25	5	35	26	300
Lake of Woods Milling Co.	Com.	130	120	678	167	120½	3,356
"	Pref.	116	116	2	110	100	110
Laurentide Co.		195	152	8,941	198	152	32,081
"	New						
Lyall Construction Co.	Com.	80	53	3,739	85½	62	8,837
Macdonald Co., A., Ltd.	Com.	16	8	8,006	23½	13½	14,473
Mackay Companies	Com.	90	73¾	725	79	74	372
"	Pref.	67¼	60	168	65¾	58½	97
Maple Leaf Milling Co.	Com.	115	91	4,902	140	92	11,003
"	Pref.	95	92	69	96¾	91	114
Min. St. Pl. & S. Ste. Marie (Soo)	Com.						
Montreal Cottons, Limited	Com.	59	49	776	61	50	2,974
"	Pref.	102	99	479	100	99½	1,447
Montreal Loan and Mortgage		165	162½	222	170	152	10
Montreal Telegraph		138	115	321	120	120	383
Montreal Tramways		181	165	65	150	150	53
National Breweries	Com.						
"	Pref.				50	50	121
Nipissing	$5 per share	9.40	9.40	10			
Nova Scotia Steel and Coal Co.	Com.	126	66	51,033	71½	66	5,674
"	Pref.	112	105	134	105	100	249
Ogilvie Flour Mills Co.	Com.	158	137	4,129	210	146	1,805
"	Pref.	115	107	645	111	100	378
Ontario Steel Products	Com.	34	18	2,682	35	22½	10,196
"	Pref.	74	74	25	78	73	166
Ottawa L. H. & P.		95	69¾	427	86	69	1,198
Paton Manufacturing		130	124	186	124	124	22
Penman's Limited	Com.	73½	64	2,755	84	65	5,381
"	Pref.	86	80	284	85½	81¾	2,275
Porto Rico	Com.	40	35	127			
Price Bros.	Com.	134	115	926	151	120	608
"	Pref.						
Quebec Railway, Light, Heat & Power Co.		35	14¾	44,461	22½	15	23,800
Riordon Pulp & Paper Co.	Com.	127	106	12,901	123	117½	11,815
"	Pref.	95	90	827	97	92½	1,867
Russell Motor Car	Com.				70	70	40
"	Pref.						
Sawyer-Massey	Com.						
"	Pref.						
Shawinigan Water and Power Co.		131	107	12,042	118½	107	26,270
Sherwin-Williams	New						
"	Com.	60	56	1,100	60	60	66
"	Pref.	100	98	311	100	99	100
Spanish River Paper & Pulp Co.	Com.	19	12½	9,545	20	13	25,395⅞
"	Pref.	59½	47	2,418	64¾	50	12,958
Steel Company of Canada	Com.	71½	49½	167,765	74¼	50½	148,218
"	Pref.	100	85	3,706	98	83	3,363
Tooke Bros.	Com.	19	19	4	30	19	966
"	Pref.	79	70	154	77	72½	459
Toronto Railway		91	60	10,977	63	60	2,840
Tri-city	Pref.						
Tuckett Tobacco Co.	Com.	22½	18½	515	24	18¼	670
"	Pref.	83½	80	108	82½	82½	1
Twin City		95	69½	319	65	48½	69
West India Electric		77	77	80			
Winnipeg Electric		81	42	381	48	48	18
Wayagamack		97	50	8,454	55	50	14,526

TORONTO

STOCKS		1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
American Cyanamid Co.	Com.	30	19	525	69¾	21	197
"	Pref.	55	50	222			
Ames-Holden-McCready	Com.	19½	17	45	28	19	195
"	Pref.	59	49	45	71	48	275
Barcelona		14¼	8¼	9,125	15¼	8¾	10,285
Bell Telephone		149	129	630	130	128	245
Brazilian	Com.	47¾	31¾	53,560	60	32	50,887
"	Pref.						
B.C. Fishing and Packing Co.		57	40	127	51½	41	2,094
Burt Co., F.N.	Com.	85	65	467	75	63¼	377
"	Pref.	93½	84¼	947	90	77¾	780
Canada Bread	Com.	20	13	2,007	24½	16	8,976
"	Pref.	86½	80	132	83¼	83½	188
Canada Cement Company	Com.	69¾	56	22,387	69¼	56½	13,003
"	Pref.	95¼	90	408	96	90	854
Canada Foundries & Forgings	Com.	190	190	25	198¾	198¾	15
"	Pref.						
Canada Life		190	190	100			
Canada Steamships Co., Ltd.	Com.	45½	30½	52,897	57	39¼	30,632
"	Pref.	93¾	72½	19,345	80	72½	10,867
" " "	Voting Trust	39	32½	250	48	38	925
" " "	New	43	43	50			
Canadian Locomotive	Com.	63¾	52½	2,918	69½	58	1,877
"	Pref.	91½	83	675	90½	83	308
Canadian Car & Foundry	Com.	35	18½	420	38	21½	580
"	Pref.	88	49	594	91½	50	1,215
Canadian General Electric	Com.	114½	99½	5,092	106½	99½	2,925
"	Pref.	109	105	125	110	100	62
Canadian Pacific Railway		167½	131	1,715	162½	137¾	641
Canadian Salt		136	128	137	132	126	111
City Dairy	Com.	30	30	270	50	30	95½
"	Pref.	70	60	54	87	60	147
Confederation Life		330	330	100			
Coniagas Mines, Ltd.	($5 per share)	4.70	3.00	10,807	3.67	2.90	1,646
Cons. Mining & Smelting Co.	$25 par	35½	24⅜	15,678	25¾	24⅜	9,620
Consumers Gas		1165½	147	3,196	150	144½	1,076
Crow's Nest Pass Coal Co.		70	50	105	54	50	162
Crown Reserve	($1 per share)	43	21	9,320	32	19½	6,465
Detroit United		127	107	836			
Dome Mines	($10 par)	23.25	6.60	17,170	14.00	6.75	6,982
Dominion Canners	Com.	25	19	1,220	42	20	1,850
"	Pref.	78	63	791	81	62½	1,663
Dominion Coal Co.	Pref.						
Dominion Iron & Steel	Com.	66	61½	2,705			
"	Pref.	92	90	52	98	90½	65
Dominion Steel Corporation	Com.	71¼	50¾	63,329	65	53½	19,066
"	Pref.						
Dominion Telegraph		90	89	69			
Duluth Superior		51	40	2,985	42	41	187
Electrical Development	Pref.						
Illinois Traction	Pref.						
International Petroleum Co.	($5 par)	15.30	11.10	11,712	20½	13	4,777
Lake Superior Corp.							
Lake of Woods Milling Co.	Com.	129¾	120½	30	169	128	45
"	Pref.						
La Rose Consolidated	($5 per share)	.56	.40	17,295	.68	.29	35,150
Mackay Companies	Com.	90	70¾	14,958	79¾	74	5,454
"	Pref.	69	59	3,861	65½	59	2,523
Maple Leaf Milling	Com.	115	90	16,230	139½	92½	16,405
"	Pref.	97½	91¾	2,567	98	91½	1,720
Mexican Light Power	Com.	14	10	130	20	16	150
"	Pref.						
Minn. St. P. & S. S. M. (Soo)	Com.						
Monterey Railway L. & P.	Pref.						
Monarch Knitting	Com.	40	30	867	46	39	284
"	Pref.	81	80	303	80½	75	126
National Steel Car Co.	Com	21	5	1,610	10½	5	1,277
"	Pref.	78	17	866	40	20	1,268
Nipissing	($5 per share)	9.50	6.95	6,153	9.25	8.00	5,323
Nova Scotia Steel and Coal	Com.	128	66	13,016	71¼	63½	1,895
"	Pref.	70	70	10			
Ogilvie Flour Mills	Com.	14	14	75			
"	Pref.	112⅜	111½	8	109½	109½	5
Pacific Burt	Com.	40	28	684	34	34	7
"	Pref.	91	79	287	77¼	76½	36
Penman's Limited	Com.	64½	64½	25	82	66	305
"	Pref.	85	81½	35	84	82½	15
Porto Rico	Com.	42	25	956	37	25¼	627
"	Pref.	80	80	1			
Prov. Paper	Pref.	81	78	95	78	78	25
Quebec Railway L. H. & P.		34⅜	16	9,460	22	16½	1,720
Riordon Pulp & Paper Co.	Com.	124½	106	645	121½	117½	45
"	Pref.	93½	93½	25	93¼	93¼	5
Rogers, William A.	Com.	80	40	136			
"	Pref.	92	90	151			
Russell Motor Car	Com.	95	50	2,081	90⅞	55	1,022
"	Pref.	122	72	4,821	91½	68¼	2,009
Sawyer Massey	Com.	24	8	350	13	10	105
"	Pref.	41	40	142	40	40	15
Shredded Wheat Co.	Com.	137½	112	311	112	100	185
"	Pref.	95	95	10	92	92	5
Spanish River Paper & Pulp	Com.	19	13	2,044⅛	19¾	12½	3,286
"	Pref.	59	49½	514	64	50	1,365
Standard Chemical	Com.	15	13¾	72	17½	17½	5
"	Pref.	56	49	834	62¾	62¾	95
Steel Co. of Canada	Com.	70¾	49½	50,441	74¼	49¾	18,585
"	Pref.	100½	84½	5,271	97½	84	2,483
St. Lawrence & Chicago							
Tooke Bros., Ltd.	Com.				24	15	164
"	Pref.				72⅜	72½	25
Toronto Paper Co.		90	72	2,636	72	68	483
Toronto Railway		90½	58½	5,025	61	58	916
Trethewey	($1 par)	19	13	9,100	30	13½	20,475
Tuckett Tobacco Co.	Com.	22½	17	307	24½	21	360
"	Pref.	78	78	20			
Twin City	Com.	95	62½	4,463	65½	38¼	3,920
Western Canada Flour							
Winnipeg Electric		80	36	1,118	48	48	270
RIGHTS							
Consolidated Mining & Smelting Co.							
Detroit Rights		3	2¾	820			

NEW COMPANIES LISTED ON THE TORONTO STOCK EXCHANGE DURING 1918

	STOCKS	JANUARY			FEBRUARY			MARCH			APRIL			MAY			JUNE		
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Provincial Paper Com.																		
	BONDS																		
2	C.P.R. Notes																		
3	Spanish River																		
4	Victory Loan, 1922																		
5	" " 1927																		
6	" " 1937																		

	STOCKS	JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER		
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Provincial Paper Com.							46	46	25							49	49	35
	BONDS																		
2	C.P.R. Notes				99	99	$100												
3	Spanish River	76	76	$1,000										82	82	25,000			
4	Victory Loan, 1922																100	98½	167,350
5	" " 1927																101	99½	24,950
6	" " 1937																102½	101	186,200

NEW COMPANIES LISTED ON THE MONTREAL STOCK EXCHANGE DURING 1918

	STOCKS	JANUARY			FEBRUARY			MARCH			APRIL			MAY			JUNE		
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Kaministiquia Power	75½	68½	5,245	75	73	2,128	75¼	73½	1,134	80¼	73¾	4,854	77⅞	75	1,783	76½	75	1,190
2	Montreal L. H. and Power													66¾	66¾	108			
3	Ottawa Traction																		
4	Prov. Paper Com.																		
5	" " Pref.																		
6	St. Lawrence Flour Mills Com.							53	50	400	70	50	4,102	70½	63½	557	78½	65½	2,367
7	" " " Pref.							80	80	10	80	80	70				80	80	110
8	Wabasso Cotton				30	30	5				28½	21	160	45⅞	28½	2,061¼	42½	40	10
9	Woods Mfg. Co Com.				61	58	215	58¼	57¼	320				67	60	1,680	70½	67	462
10	" " Pref.																		
	RIGHTS																		
11	Shawinigan	3	2	4,574	32	3	36,567	15	13	857									
	BONDS																		
12	Canada Forgings																		
13	Kaministiquia Power																98	98	$1,000
14	Intercolonial Coal													84	84	$500	84	84	1,000
15	Wabasso Cotton				84	84	$4,000												
16	West Kootenay																		
17	Victory Loan, 1922																		
18	" " 1927																		
19	" " 1937																		

	STOCKS	JULY			AUGUST			SEPTEMBER			OCTOBER			NOVEMBER			DECEMBER		
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	Kaministiquia Power							120	120	25									
2	Montreal L. H. and Power	78¼	75	5,214	83	76¼	8,946	88½	82½	1,619	87½	83	2,496	84⅝	81½	5,522	88½	82¼	19,828
3	Ottawa Traction																81½	67	498
4	Prov Paper Com.				42½	42½	100	43	43	16							46	45½	225
5	" " Pref.										78	78	5	82	82	95	83	81	135
6	St. Lawrence Flour Mills Com	78	75½	535	93	77⅞	3,102	94	86	1,665	96¾	88½	2,136	93	89¾	741	96¼	90	1,529
7	" " " Pref.				85	80	186	80	80	55	80	80	107						
8	Wabasso Cotton	50	40½	1,594½	55	49½	1,599	54	52	472	52⅜	51	719½	61½	51½	1,413½	61	58½	217
9	Woods Mfg. Co Com	95	70	1,487	95	85	451	92	85	329	98	92	1,543	93	83½	526			
10	" " Pref.				86	86	10							86	86	250			
	RIGHTS																		
11	Shawinigan																		
	BONDS																		
12	Canada Forgings													96	96	$2,000			
13	Kaministiquia Power										85	85	$1,000						
14	Intercolonial Coal				98	98	$7,500				98	98	2,000	98	98	5,000			
15	Wabasso Cotton				84	84	5,000				84	84	500	84	84	8,000	84	84	$6,000
16	West Kootenay													99	99	500			
17	Victory Loan, 1922																99½	98	144,000
18	" " 1927																101½	99½	114,300
19	" " 1937																102½	101	133,450

Lord Cunliffe's committee of the British House of Commons, on the post-war currency and foreign exchanges, has issued a report in which they express the opinion that it is imperative after the war that the conditions necessary to the maintenance of an effective gold standard should be restored without delay.

The pre-requisites for the restoration of such a standard, says the report, are:—

The cessation of government borrowing as soon as possible after the war. The recognized machinery—namely, the raising and making effective of the Bank of England discount rate, which before the war operated to check a foreign drain of gold and the speculative expansion of credit in this country, to be kept in working order.

The issue of fiduciary notes, as practicable, to be once more limited by law, and the present arrangements under which deposits at the Bank of England may be exchanged for legal tender currency without affecting the reserve of the banking department, to be terminated at the earliest possible moment.

TORONTO STOCK EXCHANGE

Comparative Statement of Prices and Sales, January-March

	STOCKS	JANUARY 1917 High	Low	Sales	JANUARY 1918 High	Low	Sales	FEBRUARY 1917 High	Low	Sales	FEBRUARY 1918 High	Low	Sales	MARCH 1917 High	Low	Sales	MARCH 1918 High	Low	Sales	
1	American Cyanamid Co. Com.	30	30	50	25	21	97	29½	28	275							35⅝	35⅛	50	1
2	" " Pref.	55	55	2				51	50	200				52	51½	20				2
3	Ames-Holden-McCready Com				Listed Feb. 11, 1916									19½	19½	20				3
4	" " Pref.				Listed Feb. 11, 1916									59	50	25				4
5	Barcelona	14½	12½	1,594	9¼	8⅞	483	12⅞	11⅛	1,620	9½	9	290	12⅞	12	1,258	9⅝	9½	65	5
6	Bell Telephone	143½	143½	15	128	128	3	149	149	85	130	129	28							6
7	Brazilian Com	47¼	43½	4,999	39	32	4,579	45⅝	43	2,102	39¼	34½	3,052	44	41⅝	3,628	37	34⅛	2.846	7
8	" " Pref																			8
9	B.C. Fishing and Packing Co.							57	57	25	41	41	12				47⅛	41	442	9
10	Burt Co., F. N. Com.	78	78	70				85	78	157				85	84	114				10
11	" " Pref.	91	91	12	84½	84½	34	92½	89	252	86	84½	58	93½	90½	42	85	84½	24	11
12	Canada Bread Com.	17	16	167	17	16	160	17	16	280				16⅝	16	585	17	16⅝	36	12
13	" " Pref.	86½	86½	40				85½	85½	2				85½	85	78	83½	83¼	4	13
14	Canada Cement Company Com.	69⅛	62½	4,115	58	56½	1,098	62½	56	4,859	59½	57	510	64¾	59	1,778	60½	59	609	14
15	" " Pref.	95½	94	52	91	90½	40	93	91¾	25	90	90	10	92½	92	30	90¾	90¾	101	15
16	Canada Foundries & Forgings Com.	190	190	25																16
17	" " Pref.																			17
18	Canada Life													190	190	100				18
19	Canada Steamships Co., Ltd. Com.	37⅛	33½	3,065	43½	39½	3,104	35½	30½	3,479	42¾	40½	1,997	40½	34⅜	10,028	40¼	39½	1,419	19
20	" " Pref.	93¾	91	1,893	76	72½	615	93½	85	3,460	78½	75¾	1,329	85½	83¼	1,460	77	75⅜	225	20
21	" " " Voting Trust													32½	32½	100	39	39	100	21
22	" " " New																			22
23	Canadian Locomotive Com.	58	57⅛	25				57	52½	283	58	58	10	56	55	312	59¼	58	33	23
24	" " Pref.	89	88	49	85½	85½	7	90	88	64	83	83	50	90	88	260				24
25	Canadian Car & Foundry Com.	35	26½	325	22½	21½	40				24	24	10	27	26⅜	25	26	24½	35	25
26	" " Pref.	88	60	396	55	50	45	74	68	70	59	59	5				64	57	135	26
27	Canadian General Electric Com.	114	111	392	101½	99½	188	111	102	488	104	101½	219	111½	108	698	105	102½	617	27
28	" " " Pref.	106½	106½	20				106	106	20				105½	105½	36	104¼	104½	10	28
29	Canadian Pacific Railway	164½	160½	141	140	137½	22	158	149½	638	149	146	70	166½	151⅛	174	146	142⅝	92	29
30	Canadian Salt													136	128	42	126	126	20	30
31	City Dairy Com.													30	30	1	31	30	20	31
32	" " Pref.										60	60	33				62	62	1	32
33	Confederation Life	330	330	100																33
34	Coniagas Mines, Ltd. ($5 per share)	4.70	4.00	3,416	3.30	3.10	275	4.20	4.00	2,206				3.75	3.50	1,025	3.25	3.05	400	34
35	Cons. Mining & Smelting Co., $25 par.	35½	31½	3,186	25½	24⅜	2,159	32	27	2,185	25⅜	24⅛	316	33½	31	1,714	25	24⅜	339	35
36	Consumers Gas	165½	164½	789	148	147	85	165	164½	254	146½	146½	44	165	162½	427	146	144½	148	36
37	Crow's Nest Pass Coal Co.													70	70	25				37
38	Crown Reserve ($1 per share)	43	43	250				37	37	150				35	35	1,000	19½	19½	65	38
39	Detroit United	127	120⅞	115				120	113½	228				117⅜	115½	100				39
40	Dome Mines ($10 par)	23.25	20.62	230	9.65	8.36	1,300	20.00	19.75	50	9.00	8.50	900				8.40	8.35	395	40
41	Dominion Canners Com.	20	19	195				23	20½	225				25	21	360	24⅜	20	353 7/10	41
42	" " Pref.							68	65	60	75	75	20	78	63	704	81	75	120	42
43	Dominion Coal Co. Pref.																			43
44	Dominion Iron & Steel Com.																			44
45	" " Pref.				90¼	90½	5													45
46	Dominion Steel Corporation Com.	71⅛	60⅝	10.382	59	53½	2,505	63	53	11,840	62	58	3,270	68¼	61¼	9,151	61¼	58¼	1,967	46
47	" " Pref.																			47
48	Dominion Telegraph	90	90	60				89	89	9										48
49	Duluth Superior	50½	43	971	42	41	20	51	46⅛	470	41	41	33	50½	50	361	41	41	23	49
50	Electrical Development Pref.																			50
51	Illinois Traction Pref.																			51
52	International Petroleum Co. ($5 par)	14.45	11.10	997	13.75	13.50	750	12.50	11.25	1,600	13.00	13.00	100	15.30	11.62	4,130	14.50	13.40	100	52
53	Lake Superior Corp.																			53
54	Lake of Woods Milling Co Com.																			54
55	" " Pref.																			55
56	La Rose Consolidated ($5 per share)	.53	.53	1,000	.32	.29	1,250	.52	.49½	1,260	.31	.31	500	.56	.50	3,760	.68	.36	14,800	56
57	Mackay Companies Com.	89½	83	3,243	77	74½	304	90	85½	2,018	78½	75	715	89⅜	86½	1,549	78½	75½	312	57
58	" " Pref.	68	64¼	362	60	59	260	68	65	469	62	59½	187	67	65	815	63½	61⅜	146	58
59	Maple Leaf Milling Com.	102½	97	985	94½	92½	61	99	90	576	100	94⅝	142	115	100	7,847	99	95½	234	59
60	" " Pref.	97½	94¼	201	93	91½	28	95½	94¾	367	94½	93½	36	95	94	497	94⅝	93¼	55	60
61	Mexican Light & Power Com.																			61
62	" " Pref.																			62
63	Minn. St. P. & S. S. M. (Soo) Com.				109½	109½	5													63
64	Monterey Railway L. & P. Pref.																			64
65	Monarch Knitting Com.	40	35	51				40	40	213	40	39	101	40	40	203	39	39	10	65
66	" " Pref.	81	80	80	75	75	10	81	80	23				80½	80	109	80	80	10	66
67	National Steel Car Co. Com.	21	15½	487	6⅝	6⅝	50	16½	14½	383	9½	9	55	14½	10¼	459	10½	9	235	67
68	" " Pref.	78	64	161	20	20	50	61	55	146	31	25	45	47	37	160	36	31	66	68
69	Nipissing ($5 per share)	8.50	8.30	830	8.45	8.00	960	8.40	7.90	700	8.25	8.15	56	8.05	7.80	497	8.60	8.40	247	69
70	Nova Scotia Steel and Coal Com.	128	107	3,210	70	66	440	110½	91	1,825	70½	66	348	106	98	1,425	67	63½	193	70
71	" " Pref.	70	70	10																71
72	Ogilvie Flour Mills Com.																			72
73	" " Pref.				109½	109½	5	111¼	111¼	5										73
74	Pacific-Burt Com.	29	28	145				31	30	29				40	35½	390				74
75	" " Pref.	80½	80	154				81	81	4				91	80	23	77¼	77¼	4	75
76	Penman's Limited Com.				66	66	5				75	73½	200				74	74	10	76
77	" " Pref.							83	83	10				81¾	81¾	5				77
78	Porto Rico Com.	42	35	637				40	35	27				40	36	202				78
79	" " Pref.																			79
80	Prov. Paper Pref.																			80
81	Quebec Railway L. H. & P.	34⅜	21¼	4,150				27½	22	2,080	16½	16½	15	28	24½	660				81
82	Riordon Pulp & Paper Co. Com.	123	117	145				118½	106	120	117½	117½	10	118	117½	75				82
83	" " Pref.				93½	93½	5													83
84	Rogers, William A. Com.							80	74	37				75	74	27				84
85	" " Pref.	92	92	10				91	90	60				90½	90	37				85
86	Russell Motor Car Com.	95	72	319				85	70	374				90	82	555	55	55	10	86
87	" " Pref.	115	100	521				112½	100½	777	70	68½	55	121	110	1,216	68½	68½	2	87
88	Sawyer Massey Com.				12	12	25							24	19	240	10	10	50	88
89	" " Pref.				40	40	15													89
90	Shredded Wheat Co. Com.							136	136	30	110	110	20	137⅝	135	30				90
91	" " Pref.							95	95	10										91
92	Spanish River Paper & Pulp Com.	18	16	244	12¾	12¾	10	17½	15½	319				18	16	355½	13½	13¼	50	92
93	" " Pref.	59	51⅜	115				57	51½	95										93
94	Standard Chemical Com.																			94
95	" " Pref.																			95
96	Steel Co. of Canada Com.	70⅞	61½	4,465	54	49⅞	685	62	52	6.622	55½	52⅞	480	69	59¼	17,610	59	52⅝	1,908	96
97	" " Pref.	100½	95½	463	85	84	193	95	93½	532	87⅞	85	99	97	94	1,383	89½	88½	43	97
98	St. Lawrence & Chicago																			98
99	Tooke Bros., Ltd. Com.																			99
100	" " Pref.																			100
101	Toronto Paper Co	74½	72	390	72	72	30	74½	74½	25				89	78	525				101
102	Toronto Railway	83	76	824	60½	58	79	86½	77	823	61	58	119	90⅛	85½	255				102
103	Trethewey ($1 par)	19	17	4,500	15	13⅜	1,725	18	16	1,750	15	15	3,800	17	16½	2,800	16	16	500	103
104	Tuckett Tobacco Co. Com.	22½	22½	25				20	20	225										104
105	" " Pref.																			105
106	Twin City Com.	95	93	452	65½	65	133	94½	93	439	65½	63½	260	94	93	111	63	51	404	106
107	Western Canada Flour																			107
108	Winnipeg Electric	80	78	52				80	78	92	48	48	85	75½	72	163	48	48	15	108
	RIGHTS																			
109	Consolidated Mining & Smelting Co.																			109
110	Detroit Rights	3	2⅜	310				3	2¼	510										110

TORONTO STOCK EXCHANGE

Comparative Statement of Prices and Sales, April-June

STOCKS	APRIL 1917 High	APRIL 1917 Low	APRIL 1917 Sales	APRIL 1918 High	APRIL 1918 Low	APRIL 1918 Sales	MAY 1917 High	MAY 1917 Low	MAY 1917 Sales	MAY 1918 High	MAY 1918 Low	MAY 1918 Sales	JUNE 1917 High	JUNE 1917 Low	JUNE 1917 Sales	JUNE 1918 High	JUNE 1918 Low	JUNE 1918 Sales
American Cyanamid Co. Com.										34	34	15						
" " Pref.																22½	20½	150
Ames-Holden-McCready Com.	17	17	25							19	19	25				61	59	55
" " Pref.				52½	48	35				58	57⅞	65	49	49	10	9⅝	9½	415
Barcelona	12	11⅝	920	9⅛	9½	330	11½	11	350	9⅝	9⅜	545	11⅜	10½	335	128	128	6
Bell Telephone	144½	143¾	120	130	130	15	142	140	64	130¾	130	47	141	139⅝	161	40	38	1,317
Brazilian Com.	43½	37	16,129	36¼	33¾	1,897	40⅞	38⅝	4,595	35⅜	33½	2,987				34⅜	33¾	
" " Pref.																		
B. C. Fishing and Packing Co.				49½	48¾	265	45	45	75	48½	48½	50				45	45	30
Burt Co., F.N. Com.	80	80	1				80	79	90	67	65½	22				66	66	12
" " Pref.	90	89	145	85	84½	23	90	88	100	86	84½	187	90	89	97	85	84¾	76
Canada Bread Com.	16½	16½	50	17	16½	130	15	15	30	20⅜	16⅜	3,030	15	15	10	19	18	85
" " Pref.				83¼	83¾	72				83¼	83¾	39				83½	83¾	10
Canada Cement Company Com.	64½	59½	1,471	60¾	59⅜	543	65	57½	5,330	61	59⅛	1,235	64½	59⅜	2,480	61	59¾	477
" " Pref.	95	95	10	91¼	90½	178	92¾	92½	55	90½	90	87	92¾	91¾	60	91½	90	143
Canada Foundries & Forgings Com.																		
" " Pref.																		
Canada Life																		
Canada Steamships Co., Ltd. Com.	40½	36½	6,052	42	39¼	1,155	40½	36	3,262	40¼	39½	905	45¼	36	18,768	40⅜	39½	816
" " Pref.	87	83½	3,452	76⅝	75	376	87½	85	2,998	76½	75¾	645	81	77	2,982	76½	75	393
" " " Voting Trust				38¾	38	100												
" " " New "													43	43	50			
Canadian Locomotive Com.	63¾	58	873	59	59	50	60	57½	254	60	59½	12	59½	57	85	60	60	45
" " Pref.	91½	89	96	85⅛	85½	25	88	87	42	87	83	38	86½	85½	26	86	83	16
Canadian Car & Foundry Com.	28	28	25	31¾	31¾	25	29	28½	15	31½	31½	10	31¼	28¾	20			
" " Pref.	69	69	2	78	75½	145	68	65⅝	70	78	77	70	74	73	20	79	74	140
Canadian General Electric Com.	114½	108	624	102½	102	69	108	107	684	103½	101	118	108	103½	443	104	100½	111
" " Pref.	109	105	48	100	100	10				100	100	10						
Canadian Pacific Railway	162½	159¾	155	140	140	20	163	157½	38				162½	159½	102	150	148½	24
Canadian Salt	134	133	75				133	133	5									
City Dairy Com.	30	30	115							40	40	3⅜	30	30	25	40	40	25
" " Pref.	70	70	4	75	75	4				87	85	4						
Confederation Life																		
Coniagas Mines, Ltd. ($5 per share)	3.75	3.60	550	3.00	2.90	270	3.80	3.60	300	3.00	2.95	300	4.30	3.70	790	2.90	2.90	100
Cons. Mining & Smelting Co. $25 par	31¼	26	1,459	24⅜	24⅜	389	27⅜	26	835	24⅜	24⅜	397	27¾	25	2,232	25	24⅜	1,611
Consumers Gas	165¼	164	279	144½	144½	60	165½	165	221	144½	144½	158	152½	150⅜	720	145¼	145¼	6
Crow's Nest Pass Coal Co.							50½	50	60							54	50	65
Crown Reserve ($1 per share)	32	25	510				31	30	2,275				25	25	2,060			
Detroit United	119½	116	50				112½	111	86				109⅜	108½	40			
Dome Mines ($10 par)	17.50	14.50	125	8.45	8.00	400	15.50	11.25	2,005	7.35	7.35	100	11.85	9.75	3,505	7.75	6.75	600
Dominion Canners Com.	23	20	137	27	22	222	23	21	118	42	28¼	270	24	23½	60			
" " Pref.							75½	71	17	70	62½	151	75	75	10	70	69	30
Dominion Coal Co. Pref.																		
Dominion Iron & Steel Com.																		
" " Pref.				91	91	20	90	90	20									
Dominion Steel Corporation Com.	66⅜	59	4,639	61	59	590	67	58½	7,407	64	58	2,474	66	60¼	3,423	62	58⅜	480
" " Pref.																		
Dominion Telegraph																		
Duluth Superior	50	49	286				50	45	152	41	41	10	45	43½	65			
Electrical Development Pref.																		
Illinois Traction Pref.																		
International Pretroleum Co. ($5 par)	15.00	13.50	995	14.37½	14.00	1,037	14.01	12.75	1,060	13.50	13.00	205	13.75	13.00	430	13.50	13.50	100
Lake Superior Corp.										131¾	131¾	20	129¾	129¾	10	128	128	10
Lake of Woods Milling Co. Com.																		
" " Pref.																		
La Rose Consolidated ($5 per share)	.51	.50	2,050				.45	.43	2,320	.44	.40	1,270	.40	.40	300	.37	.35½	600
Mackay Companies Com.	87	84½	1,259	76	75½	200	85⅜	81¾	1,684	76¾	76	415	85	82	554	76¾	74	251
" " Pref.	65½	64½	433	65½	62½	291	65½	65	329	65¼	64½	280	65½	64	69	65½	64½	245
Maple Leaf Milling Com.	113½	105	1,586	98	93½	474	108	102	706	98½	97	578	105	102	285	108	97	1,040
" " Pref.	96	94	209	93	91½	163	94⅜	93½	252	94	93	17	95	94	86	97	92¾	105
Mexican Light & Power Com.																		
" " Pref.																		
Minn. St. P. & S.S.M. (Soo) Com.																		
Monterey Railway L. & P. Pref.																		
Monarch Knitting Com.	40	40	101				40	40	52	39	39	51	40	40	15	40	40	2
" " Pref.	80	80	32	80	78	20				78¾	78½	5				78	77	12
National Steel Car Co. Com.	11	8½	30	8	8	50	8	6	23	8	7⅞	315	12	11	30	8	8	25
" " Pref.	40	35	90	35	33½	166	28	28	20	33	30	248				30	39	89
Nipissing ($5 per share)	7.75	7.50	55	8.70	8.30	595	7.50	7.22	385	9.00	8.70	30	7.60	7.40	585	9.00	8.65	1,025
Nova Scotia Steel and Coal Com.	99⅜	88	840	65	65	25	96	89	590	65⅛	64	75	107	92	2,815			
" " Pref.																		
Ogilvie Flour Mills Com.	14	14	75															
" " Pref.	112⅜	112⅜	3															
Pacific Burt Com.	40	38	70				38	38	35				37½	37½	3			
" " Pref.	80½	80	18				80	80	7				82	80¼	22			
Penman's Limited Com.				74	73¾	50												
" " Pref.	85	84½	20															
Porto Rico Com.	39½	38	40							28	25½	60				29	29	1
" " Pref.																		
Prov. Paper Pref.																		
Quebec Railway L. H. & P.	28¼	26¾	860				29⅓	20	945	22	18½	765	20½	18	395	20¾	19	325
Riordon Pulp & Paper Co. Com.							124¼	118	235							118	118	15
" " Pref.																		
Rogers, William A. Com.	70	65	37				65	65	25									
" " Pref.	90	90	9				90½	90	20	90	90	1	90	90	9	90	90	5
Russell Motor Car Com.	92	74	263				70	69	40	75	55½	276	75	70	45	74½	70	75
" " Pref.	122	104	1,177	70	68¼	174	110	100½	252	80	69	761	110	106	210	79⅜	78	50
Sawyer Massey Com.							15	8	35									
" " Pref.																		
Shredded Wheat Co. Com.				109½	109½	18	132	130	74				131	130	132			
" " Pref.																		
Spanish River Paper & Pulp Com.	17	15	72 1/10	13	13	50	14	14	5 7/10	16	12¾	250	14	14	25			
" " Pref.	51	50⅜	35				51	49⅞	185	53	50	282				50	50	53
Standard Chemical Com.	15	13¾	72															
" " Pref.	51	49	330										55	55	40			
Steel Co. of Canada Com.	67½	58⅞	6,120	60¾	58	1,597	63¾	56⅛	5,116	67½	59	3,643	64	58	2,735	67½	61½	1,483
" " Pref.	94⅜	92	365	91	89	401	93	91	227	91½	90	220	91½	91	582	94	89¾	370
St. Lawrence & Chicago																		
Tooke Bros., Ltd. Com.										20	20	30						
" " Pref.																		
Toronto Paper Co.	88	80	675	70½	70½	20	90	86	976				82½	82½	5	68	68	2
Toronto Railway	88	81	264	58	58	28	80	76½	419	61¾	58	105	80	74	247	60	58	20
Trethewey ($1 par)				15½	15½	200				17¼	17¼	1,000				21½	19	1,200
Tuckett Tobacco Co. Com.																		
" " Pref.	78	78	20															
Twin City Com.	92½	90	325	52¼	47½	525	92	85	508	48	42½	324	89	85⅝	69	40½	39½	254
Western Canada Flour																		
Winnipeg Electric							55	48½	266	48	48	20	49	45	15	48	48	31
RIGHTS																		
Consolidated Mining & Smelting Co.																		
Detroit Rights																		

TORONTO STOCK EXCHANGE

Comparative Statement of Prices and Sales, July-September

	STOCKS	JULY 1917 High	JULY 1917 Low	JULY 1917 Sales	JULY 1918 High	JULY 1918 Low	JULY 1918 Sales	AUGUST 1917 High	AUGUST 1917 Low	AUGUST 1917 Sales	AUGUST 1918 High	AUGUST 1918 Low	AUGUST 1918 Sales	SEPTEMBER 1917 High	SEPTEMBER 1917 Low	SEPTEMBER 1917 Sales	SEPTEMBER 1918 High	SEPTEMBER 1918 Low	SEPTEMBER 1918 Sales	
1	American Cyanamid Co. Com.	20	19	125	35	35	5	21	21	50				19	19	25				1
2	" " " Pref.																			2
3	Ames-Holden-McCready Com.										28	23⅞	120							3
4	" " " Pref.										71	67	110				69½	69½	10	4
5	Barcelona	11⅛	10⅞	534	10½	9½	430	11	10⅝	105	10⅞	10¼	390	10⅜	10½	262	13½	11	1,844	5
6	Bell Telephone	138	136⅝	14	128	128	4	138	137	17	130	129	19	137	135	27	129	129	40	6
7	Brazilian Com.	40⅜	38½	4,424	36½	33½	2,481	41	38⅞	2,249	40⅝	36¼	3,418	40¼	38⅞	2,253	50	41½	11,035	7
8	" " " Pref.																			8
9	B.C. Fishing and Packing Co.				45½	44¼	25	42½	42½	12	51½	45	935				50½	49½	235	9
10	Burt Co., F. N. Com.							75	75	25				65	65	10	63½	63½	25	10
11	" " " Pref.	89	84½	32	84¼	84¼	69	89	88	70	84¼	84¼	47	88	88	68	85½	84¼	88	11
12	Canada Bread Com.	15	15	134	21	18	1,330				20¼	18½	1,935	15	15	27	19¾	18¼	275	12
13	" " " Pref.																			13
14	Canada Cement Company Com.				83¼	83¼	12	85	85	7										14
15	" " " Pref.	61½	60	278	61¼	60¼	395	63	60¼	595	69	61⅜	3,494	62½	59	483	69¼	66	888	15
16	Canada Foundries & Forgings Com.	92½	90	38	93	91½	159	91	90	40	92	91	65	91	90½	10	94¾	92	70	16
17	" " " Pref.																			17
18	Canada Life																			18
19	Canada Steamships Co., Ltd. Com.	44	40½	1,716	44	40	1,461	45½	41½	3,319	45	42	2,348	42⅞	40½	1,843	48⅞	44	7,012	19
20	" " " Pref.	81½	78½	698	77	74⅜	1,390	79¼	78½	878	78	76½	1,194	79	77	545	78⅝	76	1,394	20
21	" " " Voting Trust				45	42½	250				48	45	475	39	39	100				21
22	" " " New Voting Trust																			22
23	Canadian Locomotive Com.	63¾	57½	860				63	61¼	101	65¾	62	642	60	58	60	69⅝	65	200	23
24	" " " Pref.	90	88	59	86	85	20	89	88	10	90	86	40	86	85	21	90½	89	35	24
25	Canadian Car & Foundry Com.				38	37¼	275				38	37⅞	75							25
26	" " " Pref.	69¾	66¾	5	89	76	50	69	69	6	91½	88⅝	190				89½	83	180	26
27	Canadian General Electric Com.	103	100¼	336	102½	100¾	134	105	103	192	103½	102	374	105	102½	615	104¾	101	417	27
28	" " " Pref.				100	100	10													28
29	Canadian Pacific Railway	167⅛	159	52	155⅛	147⅜	158	162⅜	159	55	186	157½	144	155¼	150	49				29
30	Canadian Salt	130	130	10										129	129	5				30
31	City Dairy Com.	30	30	10				30	30	75	45	45	12	30	30	30				31
32	" " " Pref.				85	85	15	60	60	8	82½	82½	10	60	60	10	83¼	83¼	15	32
33	Confederation Life																			33
34	Coniagas Mines, Ltd. ($5 per share)	4.40	4.40	50	3.00	3.00	50	4.25	4.00	500	2.75	2.50	50	4.00	3.90	1,250				34
35	Cons. Mining & Smelting Co. $25 par	27	24¾	1,086	24⅜	24⅜	45	30	27	460	25	24⅛	3,421	27½	26	609	25	24⅜	414	35
36	Consumers Gas	150¾	150	189	145	145	87	152	150	38	146	145	72	150	148	68	149	146½	48	36
37	Crow's Nest Pass Coal Co				50	50	50				50	50	10	55	55	20				37
38	Crown Reserve ($1 per share)	29	29	100				25	23	225				27	27	500	20½	20½	100	38
39	Detroit United	108	107	100				109¼	107½	110				111½	111½	10				39
40	Dome Mines ($10 par)	12.15	10.00	760	9.45	8.00	520	12.25	9.75	1,150	9.10	8.50	420	9.90	8.50	670	10.05	8.90	632	40
41	Dominion Canners Com.	23	22	125	35	33½	15				40	35½	155				39	35	102	41
42	" " " Pref.										70	70	37				73	71	15	42
43	Dominion Coal Co. Pref.																			43
44	Dominion Iron & Steel Com.																			44
45	" " " Pref.							66	61½	2,705										45
46	Dominion Steel Corporation Com.	60¾	59	1,745	61½	60	782	92	90⅝	32	98	88	25							46
47	" " " Pref.							68¼	60½	5,689	64¾	60¾	1,403	63⅜	59	2,828	65	61	1,307	47
48	Dominion Telegraph																			48
49	Duluth Superior																			49
50	Electrical Development Pref.	43⅛	42½	100	41	41	10	41¾	40	50	41	41	10	46	40	213				50
51	Illinois Traction Pref.																			51
52	International Petroleum Co. ($5 par)	13.50	13.00	300	15.00	14.12½	730	13.63	12.25	1,015	14.25	14.25	10	13.25	12.00	175	13.75	13 75	100	52
53	Lake Superior Corp.																			53
54	Lake of Woods Milling Co. Com.													124¾	124¾	10				54
55	" " " Pref.																			55
56	La Rose Consolidated ($5 per share)	.47	.46	720	.39	.35	510	.50	.46	2,700	.43½	.30	6,120	.57	.50	1,740	.57½	.50	9,200	56
57	Mackay Companies Com.	83	81¼	868	75⅞	75	129	82	80	1,118	78¼	75⅜	633	81½	77½	537	79⅜	75	399	57
58	" " " Pref.	65	64	294	65½	64½	251	64⅜	64	259	65½	65	280	64	63½	99	65¼	64⅜	52	58
59	Maple Leaf Milling Com.	106	100	466	113½	101½	1,295	103½	99	468	120½	111	4,038	110	99	2,152	129½	117½	3,045	59
60	" " " Pref.	94½	92½	43	97	94¼	62	94	91¾	234	97	95	143	97	92	334	98	95½	244	60
61	Mexican Light & Power Com.										16	16	50	14	10	130				61
62	" " " Pref.																			62
63	Minn. St. P. & S. S. M. (Soo) Com.																			63
64	Monterey Railway L. & P. Pref.																			64
65	Monarch Knitting Com.	35	35	6				35	35	42				35	35	130	45	45	50	65
66	" " " Pref.							80	80	50							75	75	6	66
67	National Steel Car Co. Com.	13	10½	90				8	8	8	7	7	8	6	5	60	9	8¼	270	67
68	" " " Pref.	29½	25	150				30	27½	29	33	30	68	29	29	30	40	35½	187	68
69	Nipissing ($5 per share)	7.70	6.95	800	8.80	8.65	130	8.55	7.90	590	9.00	8.60	480	9.50	8.80	400	9.00	8.65	560	69
70	Nova Scotia Steel and Coal Com.	99	93⅜	580				109	98	1,121	71¼	66	593	99½	89	155	68	66	140	70
71	" " " Pref.																			71
72	Ogilvie Flour Mills Com.																			72
73	" " " Pref.																			73
74	Pacific Burt Com.	36	36	12	34	34	3													74
75	" " " Pref.	81	80¼	46				80¼	80	12							77¼	77¼	3	75
76	Penman's Limited Com.																82	81	25	76
77	" " " Pref.																84	84	5	77
78	Porto Rico Com.				28	28	105				37	29	436				36⅜	36¼	25	78
79	" " " Pref.	80	80	1																79
80	Prov. Paper Pref.																			80
81	Quebec Railway L. H. & P.	22½	17½	220	19½	18	215	81	80	80							46	46	25	81
82	Riordon Pulp & Paper Co. Com.							22½	20¾	145	18¼	17⅞	80	16	16	5	20½	18⅞	125	82
83	" " " Pref.	93½	93¼	25				122	120	25				116¼	116¼	25	121¾	121¼	20	83
84	Rogers, William A. Com.																			84
85	" " " Pref.																			85
86	Russell Motor Car Com.	80	70	131	76	70	109	80	70	95	86	80	297	69	69	20	90	81½	235	86
87	" " " Pref.	111	109	106	83	79¾	252	112	105	117	90	89½	390				91½	83	125	87
88	Sawyer Massey Com.	10	10	25				10	10	50										88
89	" " " Pref.																			89
90	Shredded Wheat Co. Com.																			90
91	" " " Pref.										100	100	10	122	122	25	112	104	135	91
92	Spanish River Paper & Pulp Com.	14	14	9													92	92	5	92
93	" " " Pref.							19	15¾	799½	14½	13	225				14¾	14	160	93
94	Standard Chemical Com.							53½	51½	84	53	51	211				55	53	45	94
95	" " " Pref.																17½	17½	5	95
96	Steel Co. of Canada Com.	56	55	85				55	54½	32	62½	62¼	45	55	55	47				96
97	" " " Pref.	58⅜	53½	520	66½	64½	840	60⅝	55½	2,152	74¾	65	3,626	58¾	51½	2,430	73⅜	71¼	1,222	97
98	St. Lawrence & Chicago	92½	89½	526	95	93	137	91⅜	90½	408	97½	94½	268	89½	86⅜	225	97½	96½	288	98
99	Tooke Bros., Ltd Com.				17	15	45													99
100	" " " Pref.										24	19	89							100
101	Toronto Paper Co.	80	80	5	65	65	96	76	76	5	72⅝	71	135	72	72	30	72⅜	72⅜	25	101
102	Toronto Railway	75½	73⅞	377	59½	58½	80	76	74½	81	60½	59	160	75	64⅝	647	70	70	60	102
103	Trethewey ($1 par)				30	23	4,200										60⅜	60	23	103
104	Tuckett Tobacco Co. Com.							21	21	25				21	21	25	27	24	1,100	104
105	" " " Pref.																21⅜	21	165	105
106	Twin City Com.	85⅜	84	511	44¼	41½	223	85½	85	288	45	43½	217	85	80	511	46	44	120	106
107	Western Canada Flour																			107
108	Winnipeg Electric	40	40	149	48	48	2	47	36	219				49	45	90	48	48	1	108
	RIGHTS																			
109	Consolidated Mining & Smelting Co.																			109
110	Detroit Rights																			110

TORONTO STOCK EXCHANGE

Comparative Statement of Prices and Sales, October-December

	STOCKS	OCTOBER 1917			OCTOBER 1918			NOVEMBER 1917			NOVEMBER 1918			DECEMBER 1917			DECEMBER 1918		
		High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	American Cyanamid Co. Com.																69¾	69¾	90
2	" " " Pref.																		
3	Ames-Holden-McCready Com.																		
4	" " " Pref.																		
5	Barcelona	10½	8½	1,387	15	11⅞	3,047	8¾	8¼	385	15¼	12½	1,995	9⅜	8⅜	375	13½	12⅜	455
6	Bell Telephone	130	129	107	130	129	3	130	130	15	130	130	24	130	130	5	130	129	54
7	Brazilian Com.	39¾	31⅞	5,971	51¼	48	7,751	32¼	32	2,548	60	48⅝	8,102	32	32	870	53½	50½	1,422
8	" " Pref.																		
9	B.C. Fishing and Packing Co.	40	40	15	49⅜	49	30				49	49	15				48	45⅞	55
10	Burt Co., F.N. Com.				63½	63½	25				63½	63½	25				75	63½	268
11	" " Pref.	87	86½	46	86	84½	57	86¾	86	83	86½	84½	67				90	77½	50
12	Canada Bread Com.	14	13⅜	100	18	18	20	14	13	89	18⅜	18½	75	20	18½	535	24⅛	18⅜	1,900
13	" " Pref.	80	80	5							83½	83½	51						
14	Canada Cement Company Com.	59½	57	355	67½	64	870	58	57	328	64¾	60	596	58½	57	315	67½	61	2,288
15	" " Pref.	91¼	90¼	53	94½	94	10	90	90	35	95	93	35				96	95½	50
16	Canada Foundries & Forgings Com.																198⅜	198¾	15
17	" " Pref.																		
18	Canada Life																		
19	Canada Steamships Co., Ltd. Com.	41⅜	38⅜	1,189	47⅞	45	3,525	39½	39¼	170	47⅞	45	1,511	39	39	6	51	44⅜	5,379
20	" " " Pref.	80	75½	621	77	76¼	461	76	76	262	77	76	803	76	72½	96	80	76½	2,042
21	" " " Voting Trust							39	38	50									
22	" " " New Voting Trust																		
23	Canadian Locomotive Com.	58	58	65	65	64¼	40				67¼	64	600				66⅜	63¾	245
24	" " Pref.	84	83	23	89½	87	28	89½	84½	15	86	86	10	84½	84½	10	90	90	39
25	Canadian Car & Foundry Com.				33½	33½	20	18½	18½	10	44	31½	50				32½	31½	50
26	" " Pref.	49	49	25	86½	85½	15				84½	83	15				86	85½	25
27	Canadian General Electric Com.	103⅜	100	473	104¾	103	279	101½	101½	74	105½	104¼	218	101½	89½	73	106½	103½	181
28	" " Pref.																110	110	22
29	Canadian Pacific Railway	149	133	137	173	170½	115	137	131	80				138½	128¼	94	162½	162½	3
30	Canadian Salt										128	128	50				132	132	41
31	City Dairy Com.	30	30	4	50	50	15	30	30	10							50	50	20
32	" " Pref.	60	60	32	85	83¾	25				85	84½	33				84½	84	7
33	Confederation Life																		
34	Coniagas Mines, Ltd. ($5 per share)	3.70	3.25	320				3.00	3.00	400	3.67	3.50	200						
35	Cons. Mining & Smelting Co. $25 par	25⅞	24⅛	1,632	24⅜	24⅛	332	25	25	150	24⅜	24⅛	83	25	24⅛	130	24⅜	24⅛	114
36	Consumers Gas	148	147	45	153	153	35	148	147	121	149½	149½	11	150½	150½	45	150	147½	187
37	Crow's Nest Pass Coal Co.										50	50	2				55	55	35
38	Crown Reserve ($1 per share)	23⅝	23	2,050										21	21	200	32	25	6,300
39	Detroit United																		
40	Dome Mines ($10 par)	8.40	7.80	4.120	13.00	10.55	590	7.60	6.60	2,255	14.90	13.80	105	8.75	6.66	2,300	14.00	12.00	1,020
41	Dominion Canners Com.				37½	35	90				35	29	186				35	30½	457
42	" " Pref.				70⅜	70	180				73	70	855				73½	72	555
43	Dominion Coal Co. Pref.																		
44	Dominion Iron & Steel Com.																		
45	" " Pref.				95½	95½	15												
46	Dominion Steel Corporation Com.	60	52	4,006	64	58½	1,973	54	52	1,654	63	59½	1,225	53	50⅝	565	63	59¾	690
47	" " Pref.																		
48	Dominion Telegraph																		
49	Duluth Superior	44	42	247	41	41	30	42½	42¼	35	41	41	51	42	41	35			
50	Electrical Development Pref.																		
51	Illinois Traction Pref.																		
52	International Pretoleum Co. ($5 par)	14.25	12.50	900	15.00	14.00	70	12.00	12.00	100	15.87	15.87	300	12.00	12.00	10	20.50	15.30	1,175
53	Lake Superior Corp																		
54	Lake of Woods Milling Co. Com.													120½	120⅛	10	169	169	15
55	" " " Pref.																		
56	La Rose Consolidated ($5 per share)	.48	.42	1,445	.50½	.50½	400				.39	.39	500						
57	Mackay Companies Com.	77	74½	1,009	79	76½	931	75	70⅜	828	79¾	76½	843	76	72	291	76½	72½	322
58	" " Pref.	63⅜	60½	333	65¼	64½	227	63	59	277	65	64	178	69	59⅜	122	65	63½	126
59	Maple Leaf Milling Com.	107	98	512	132	125½	1,566	105	98½	587	139½	124	1,818	95	92	60	137⅜	125	2,114
60	" " " Pref.	95⅞	93	110	97½	95	224	92½	92	124	96½	93¾	319	92	92	110	98	95½	324
61	Mexican Light & Power Com.				20	18	100												
62	" " " Pref.																		
63	Minn. St. P. & S. S. M. (Soo) Com.																		
64	Monterey Railway L. & P. Pref.																		
65	Monarch Knitting Com.	30	30	8				30	30	45	46	46	68	30	30	1	46	46	2
66	" " Pref.	80	80	9	80½	80	15				80	78	15				76	76	33
67	National Steel Car Co. Com.	7	5½	15	8	7¾	130							6	6	25	6	5	139
68	" " " Pref.	19	17	55	37	30	40	17	17	5	26	26	35	19	18	20	28	20	274
69	Nipissing ($5 per share)	8.50	8.00	381	8.70	8.55	110	7.80	7.70	445	8.75	8.75	160	8.50	8.10	475	9.25	8.75	970
70	Nova Scotia Steel and Coal Com.	90½	78½	435	65¼	63½	35				63½	63½	45	66	66	20			
71	" " " Pref.																		
72	Ogilvie Flour Mills Com.																		
73	" " " Pref.																		
74	Pacific-Burt Com.																34	34	4
75	" " Pref.	79	79	1							76¼	76¼	16				77¼	77¼	12
76	Penman's Limited Com.	64½	64½	25													78⅝	78⅝	15
77	" " Pref.				83	82¾	10												
78	Porto Rico Com.	30	25	50															
79	" " Pref.																		
80	Prov. Paper Pref.	78	78	15	78	78	25												
81	Quebec Railway L. H. & P.				21½	20	195												
82	Riordon Pulp & Paper Co Com.	117¾	116	20															
83	" " " Pref.																		
84	Rogers, William A. Com.							40	40	10									
85	" " Pref.							90	90	1				90	90	5			
86	Russell Motor Car Com.	63	50	178	90¼	84	20	50	50	40				51	50	21			
87	" " Pref.	108	72	445	91½	86	105				80	75	85				75	75	10
88	Sawyer Massey Com.																13	13	30
89	" " Pref.	41	40	132										40	40	10			
90	Shredded Wheat Co. Com.	112	112	20															
91	" " Pref.																		
92	Spanish River Paper & Pulp Com.	14½	13⅜	145	19⅜	15	1,297	13	13	70	16	15	325				19	15	899
93	" " Pref.				61	55	219				56½	55	82				64	59	473
94	Standard Chemical Com.																		
95	" " Pref.	56	55	300	62½	62½	50												
96	Steel Co. of Canada Com.	55⅞	49½	1,797	71⅜	63⅜	1,357	50¼	49½	714	63½	58⅜	940	50¾	49½	160	65	59½	804
97	" " " Pref.	87	84½	404	97	94⅝	185	85	84⅝	99	95	92¾	177	85	84⅞	57	94⅛	93	102
98	St. Lawrence & Chicago																		
99	Tooke Bros., Ltd. Com.																		
100	" " Pref.																		
101	Toronto Paper Co.				72	71⅞	70				68½	68½	60				69	69	10
102	Toronto Railway	65	58½	786	60	58	186	60	60	216	58	58	46	60¾	60	87	58	58	70
103	Trethewey ($1 par)	13	13	50	24¾	23	3,200				23	22⅜	2,500				24	19	1,050
104	Tuckett Tobacco Co. Com.	17	17	7													24½	21	195
105	" " Pref.																		
106	Twin City Com.	80½	77	402	51½	50	224	76	67½	695	52	49½	392	67⅛	62½	152	37	38¼	844
107	Western Canada Flour																		
108	Winnipeg Electric	48	46	62	48	48	125	48	48	10									
	RIGHTS																		
109	Consolidated Mining & Smelting Co.																		
110	Detroit Rights																		

LOAN & TRUST COS. QUOTED ON TORONTO STOCK EXCHANGE

Comparative Statement of Prices and Sales during 1917 and 1918

JANUARY

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.	160	158¼	32	148¾	148¾	5
" " " " 20% paid						
Canada Permanent Mort. Corporation	170½	170	345	162½	162½	170
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan	77	75	106	63	63	153
Dominion Savings & Investment						
Great West Permanent	140	140	18			
Hamilton Provident and Loan						
" " 20% paid	210	209	50			
Huron and Erie Mortgage Corp	198	197	237			
" " 20% paid						
Landed Banking and Loan						
London & Canadian Loan & Agency						
National Trust						
Ontario Loan & Debenture	175	175	2			
" " 20% paid						
Real Estate Loan						
Toronto General Trusts	213	213	5			
" " " New						
Toronto Mortgage	140	140	5			
Toronto Savings						
Union Trust Co						

FEBRUARY

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.	159⅝	159	116			
" " " " 20% paid						
Canada Permanent Mort. Corporation	171½	170½	527	162½	162½	101
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan				63	63	100
Dominion Savings & Investment						
Great West Permanent	141¼	141	14			
Hamilton Provident and Loan				121	121	21
" " 20% paid	210½	210½	14			
Huron and Erie Mortgage Corp	197	197	56			
" " 20% paid						
Landed Banking and Loan	132	131	66			
London & Canadian Loan & Agency	210	210	60			
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan	215	214	30			
Toronto General Trusts						
" " " New						
Toronto Mortgage						
Toronto Savings						
Union Trust Co						

MARCH

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.	156	156	76			
" " " " 20% paid						
Canada Permanent Mort. Corporation	173	171	295	162⅛	162½	508
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan	75	75	34	63	63	1,131
Dominion Savings & Investment				76	75	30
Great West Permanent	142	141	17			
Hamilton Provident and Loan						
" " 20% paid						
Huron and Erie Mortgage Corp						
" " 20% paid						
Landed Banking and Loan	130	130	10			
London & Canadian Loan & Agency						
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan	214¾	214¾	35	199¾	199¾	10
Toronto General Trusts						
" " " New	140	140	25			
Toronto Mortgage						
Toronto Savings						
Union Trust Co						

APRIL

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.				148¾	148¾	80
" " " " 20% paid						
Canada Permanent Mort. Corporation	172¾	172	373	162½	162½	1,503
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan	75	74	2,790			
Dominion Savings & Investment				75	75	17
Great West Permanent						
Hamilton Provident and Loan						
" " 20% paid						
Huron and Erie Mortgage Corp	208½	208½	52	202	202	32
" " 20% paid				190	190	4
Landed Banking and Loan						
London & Canadian Loan & Agency	130	129	92	126½	126½	8
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan						
Toronto General Trusts	212	212	75	201	201	35
" " " New						
Toronto Mortgage	138	138	7			
Toronto Savings						
Union Trust Co						

MAY

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.						
" " " " 20% paid						
Canada Permanent Mort. Corporation	170½	170	927	162½	162½	1,278
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan	74	74	25	63	63	591
Dominion Savings & Investment						
Great West Permanent	141	141	40			
Hamilton Provident and Loan	124	124	13			
" " 20% paid						
Huron and Erie Mortgage Corp				204	204	12
" " 20% paid						
Landed Banking and Loan				141	141	7
London & Canadian Loan & Agency	130	129	15			
National Trust	212	212	10			
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan						
Toronto General Trusts	212	212	5	201	201	7
" " " New						
Toronto Mortgage	133	138	9			
Toronto Savings						
Union Trust Co						

JUNE

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.	155	154	12			
" " " " 20% paid						
Canada Permanent Mort. Corporation	170	166	193	162⅛	162½	418
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan						
Dominion Savings & Investment						
Great West Permanent						
Hamilton Provident and Loan						
" " 20% paid						
Huron and Erie Mortgage Corp	211	209	64			
" " 20% paid	198	198	39			
Landed Banking and Loan						
London & Canadian Loan & Agency						
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan						
Toronto General Trusts	212	207½	7	200	200	23
" " " New						
Toronto Mortgage						
Toronto Savings						
Union Trust Co						

JULY

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.	153¾	153½	50	148¾	148¾	5
" " " " 20% paid						
Canada Permanent Mort. Corporation	167½	167	688	164¼	162½	333
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan				64	63	120
Dominion Savings & Investment						
Great West Permanent	137	137	10			
Hamilton Provident and Loan	121	121	6			
" " 20% paid	209	209	10			
Huron and Erie Mortgage Corp						
" " 20% paid						
Landed Banking and Loan				126½	126½	14
London & Canadian Loan & Agency						
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan						
Toronto General Trusts	207	206	16			
" " " New						
Toronto Mortgage	136	136	54			
Toronto Savings						
Union Trust Co						

AUGUST

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.				118¾	148¾	2
" " " " 20% paid						
Canada Permanent Mort. Corporation	170	168	499	164½	164	155
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan				64	63	480
Dominion Savings & Investment						
Great West Permanent						
Hamilton Provident and Loan						
" " 20% paid						
Huron and Erie Mortgage Corp	137	137	16			
" " 20% paid	209	209	30			
Landed Banking and Loan						
London & Canadian Loan & Agency						
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan						
Toronto General Trusts	206	206	9			
" " " New						
Toronto Mortgage	136	136	7			
Toronto Savings						
Union Trust Co						

SEPTEMBER

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.	154	154	25			
" " " " 20% paid						
Canada Permanent Mort. Corporation	170	168	348			
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan	69	69	67	65	63	758
Dominion Savings & Investment						
Great West Permanent						
Hamilton Provident and Loan						
" " 20% paid						
Huron and Erie Mortgage Corp				133	133	25
" " 20% paid						
Landed Banking and Loan						
London & Canadian Loan & Agency						
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan						
Toronto General Trusts	210	207½	20			
" " " New						
Toronto Mortgage						
Toronto Savings						
Union Trust Co						

OCTOBER

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.	151	151	5	148¾	140	109
" " " " 20% paid						
Canada Permanent Mort. Corporation	169	167	295	168	166	904
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan	68	68	81	65	65	227
Dominion Savings & Investment						
Great West Permanent						
Hamilton Provident and Loan						
" " 20% paid						
Huron and Erie Mortgage Corp						
" " 20% paid	205	205	20			
Landed Banking and Loan						
London & Canadian Loan & Agency						
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan	143	143	1	140	140	26
Toronto General Trusts						
" " " New	207½	207½	10			
Toronto Mortgage						
Toronto Savings						
Union Trust Co						

NOVEMBER

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.	151	151	8	148¾	148¾	24
" " " " 20% paid						
Canada Permanent Mort. Corporation	165	165	125	169	168	1,449
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan				69	67	708
Dominion Savings & Investment						
Great West Permanent						
Hamilton Provident and Loan						
" " 20% paid						
Huron and Erie Mortgage Corp						
" " 20% paid				202	202	5
Landed Banking and Loan						
London & Canadian Loan & Agency						
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan						
Toronto General Trusts	128½	128½	2			
" " " New						
Toronto Mortgage						
Toronto Savings						
Union Trust Co						

DECEMBER

COMPANIES	1917 High	1917 Low	1917 Sales	1918 High	1918 Low	1918 Sales
Canada Landed & National Invest.	150	150	6	148¾	148¾	12
" " " " 20% paid						
Canada Permanent Mort. Corporation	165	162½	159	168½	165½	332
Central Canada Loan and Savings						
" " " 20% paid						
Colonial Investment & Loan				80	69	1,580
Dominion Savings & Investment						
Great West Permanent						
Hamilton Provident and Loan						
" " 20% paid						
Huron and Erie Mortgage Corp				202	202	25
" " 20% paid				190	190	60
Landed Banking and Loan						
London & Canadian Loan & Agency						
National Trust						
Ontario Loan & Debenture						
" " 20% paid						
Real Estate Loan						
Toronto General Trusts						
" " " New						
Toronto Mortgage						
Toronto Savings						
Union Trust Co						

1915

COMPANIES	High	Low	Sales
Canada Landed & National Invest.	162	157½	239
" " " " 20% paid			
Canada Permanent Mort. Corporation	188	183	4,758
Central Canada Loan and Savings	190	190	6
" " " 20% paid			
Colonial Investment & Loan	78	78	817
Dominion Savings & Investment	81	81	16
Great West Permanent			
Hamilton Provident and Loan			
" " 20% paid			
Huron and Erie Mortgage Corp	140½	139	164
" " 20% paid	125½	125	126
Landed Banking and Loan	211	205	436
London & Canadian Loan & Agency	197	197	252
National Trust	147	147	30
Ontario Loan & Debenture	136	131	91
" " 20% paid	223	223	71
Real Estate Loan	173	169	23
Toronto General Trusts	173	173	34
" " " New			
Toronto Mortgage	210	202½	348
Toronto Savings			
Union Trust Co	138	138	21

1916

COMPANIES	High	Low	Sales
Canada Landed & National Invest.	163	157½	490
" " " " 20% paid			
Canada Permanent Mort. Corporation	183	168⅝	6,670
Central Canada Loan and Savings			
" " " 20% paid			
Colonial Investment & Loan	76	70	441
Dominion Savings & Investment	80	80	30
Great West Permanent			
Hamilton Provident and Loan			
" " 20% paid			
Huron and Erie Mortgage Corp	140	138	88
" " 20% paid			
Landed Banking and Loan	214	209	400
London & Canadian Loan & Agency	197	40	23
National Trust	145	144	19
Ontario Loan & Debenture	135	132	103
" " 20% paid	210	210	40
Real Estate Loan	175	169	68
Toronto General Trusts			
" " " New			
Toronto Mortgage	212	205½	434
Toronto Savings			
Union Trust Co	140	134	58

1917

COMPANIES	High	Low	Sales
Canada Landed & National Invest.	160	150	330
" " " " 20% paid			
Canada Permanent Mort. Corporation	173	162½	4,774
Central Canada Loan and Savings			
" " " 20% paid			
Colonial Investment & Loan	77	68	3,103
Dominion Savings & Investment			
Great West Permanent			
Hamilton Provident and Loan			
" " 20% paid			
Huron and Erie Mortgage Corp	142	137	115
" " 20% paid	124	121	19
Landed Banking and Loan	211	205	237
London & Canadian Loan & Agency	198	197	332
National Trust	143	143	1
Ontario Loan & Debenture	132	128½	185
" " 20% paid	212	207½	100
Real Estate Loan	175	175	2
Toronto General Trusts			
" " " New			
Toronto Mortgage	215	200	247
Toronto Savings			
Union Trust Co	140	136	107

1918

COMPANIES	High	Low	Sales
Canada Landed & National Invest.	148¾	140	337
" " " " 20% paid			
Canada Permanent Mort. Corporation	169	162½	7,151
Central Canada Loan and Savings			
" " " 20% paid			
Colonial Investment & Loan	80	63	5,848
Dominion Savings & Investment	76	75	47
Great West Permanent			
Hamilton Provident and Loan			
" " 20% paid			
Huron and Erie Mortgage Corp	133	133	25
" " 20% paid	121	121	21
Landed Banking and Loan	204	202	74
London & Canadian Loan & Agency	190	190	64
National Trust	141	140	33
Ontario Loan & Debenture	126½	126½	22
" " 20% paid			
Real Estate Loan			
Toronto General Trusts			
" " " New			
Toronto Mortgage	204	199¾	95
Toronto Savings			
Union Trust Co	134	134	2

BONDS QUOTED ON TORONTO STOCK EXCHANGE

Comparative Statement of Prices and Sales during 1917 and 1918

BONDS	1917 JANUARY 1918						1917 FEBRUARY 1918						1917 MARCH 1918					
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
Bell Telephone	98¼	98¼	$1,000															
Canada Bread	94	93	7,300	90	90	$8,000	93½	93	$2,000				93½	93½	$13,000			
Canada Cement													96½	96½	700			
Canadian Locomotive	95	95	1,500															
Dominion of Canada War Loan 1925	98⅜	97⅞	146,500	95¼	94⅜	51,000	98⅛	97⅛	97,200	95	94½	$27,000	97⅜	97	85,600	94	93½	$51,600
" " " " " 1931	98⅜	97½	240,400	93¼	92	39,800	98⅛	96	103,300	93¼	93	28,200	97⅜	95½	59,800	93¼	92¼	33,900
" " " " " 1937				93¼	92	161,200				93¼	92½	67,400				92	91¼	38,850
Dominion Iron & Steel																		
Electrical Development							92½	92	1,000									
Mexican Light & Power																		
Penmans													96	96	1,000			
Porto Rico	82	82	8,000															
Quebec Railway, Light and Power																		
Rio de Janeiro Tram. Light & Power	86¼	85⅞	8,000				85¼	84¼	10,000				83½	82⅝	8,500	83¼	83¼	2,000
Sao Paulo Tramway	84	84	1,000															
Steel Co. of Canada				88	88	1,000	97¼	97¼	1,000	88½	88	2,000	98	97	2,700	89½	88½	2,000

	1917 APRIL 1918						1917 MAY 1918						1917 JUNE 1918						1917 JULY 1918					
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
	93	92½	$3,000	90	90	$6,600	92	92	$600	92	90½	$10,500	92	92	$2,700									
													97	97	500	96½	96½	$1,000						
																86	86	500				90	89	$3,100
	93	93	1,000				94	94	300															
	97½	96⅞	20,700	94⅝	93½	30,600	96¾	96	26,700	95⅝	94½	43,900	97¼	96½	89,300	95¾	95¼	93,500	98	97	$52,600	96	95⅜	140,000
	97½	95⅝	19,000	92⅞	92⅛	58,300	95⅜	94	23,100	94	92⅝	45,800	95	93¼	61,600	95	94¼	55,500	96	93½	146,400	95⅛	94	105,200
	96	94¼	210,610	92¼	91½	152,700	95	94⅜	74,400	93⅛	92	239,400	94¾	92½	202,900	93⅞	93¼	205,500	95⅛	94	531,400	94	93	86,000
	90	89¾	1,000													84½	84½	3,000				84½	84½	500
																			30	30	9,000			
										59¾	59¾	1,000												
	81	81	8,500	83	83	1,000				83	83	500							80	80	200			
																			80	80	8,000	80	80	1,000
	99½	99½	5,500	91⅞	91	3,000				92	92	2,000	96½	96⅜	1,000	92⅞	91⅞	19,300	97⅛	97	4,000	93	93	300

	1917 AUGUST 1918						1917 SEPTEMBER 1918						1917 OCTOBER 1918						1917 NOVEMBER 1918					
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
	92½	92	$3,800	91	90	$5,000	92	91	$12,200	90	90	$1,000	91¾	90	$11,000	92	92	$500						
										95	95	100				96⅜	96½	1,500						
				89	89	500																		
	98	97¼	40,700	96¼	95½	46,200	97⅛	96⅝	43,200	96⅜	96	70,000	97	96	157,400	96⅞	96	18,000	96⅜	95	$114,400	96⅜	96½	$6,500
	96½	95½	122,800	95⅜	94⅝	34,400	96½	95	143,100	95⅜	94¼	33,400	96⅜	95	214,000	96½	95¼	19,400	96	93⅝	251,800	96⅛	95½	5,900
	95½	95	387,500	94	93	139,400	95⅝	94⅝	146,700	94½	94	194,200	94⅞	94¼	329,000	94½	93½	66,200	94⅝	93	233,400	96¼	93⅜	139,400
										84½	84½	4,500				85	84½	6,000				84½	84½	500
																45	40	5,000						
																			87½	87	1,500			
				80	80	500																		
	80	80	500				85	80	2,600	83½	83½	5,000							81⅜	80	2,000			
	95¾	94¾	4,200							94	94	1,500	92	92	3,000	93	93	2,000	90	90	4,000			

	1917 DECEMBER 1918						1915			1916			1917			1918		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
													98¼	98¼	$1,000			
	90	90	$18,400	92	92	1000	93¼	93	$89,700	95½	92½	$71,000	94	90	$74,000	92	90	33,600
										96¾	94	11,000	97	96½	1,200	96½	95	2,600
							90	88	3,800	96	88	48,500	95	93	2,800	90	86	4,100
	96¼	94⅝	64,600	96⅜	94⅝	51,300				99¼	97¼	364,500	98⅜	94⅝	938,900	96⅞	94¼	629,600
	95	91	94,100	96¼	95	32,100							98⅜	91	1,479,400	96⅜	92	491,900
	93⅜	91¾	152,400	97⅜	95½	239,900							96	91¾	2,268,310	96¼	91¼	1,730,150
										87	85	4,000						
				87	87	5,000	88	88	4,500	92½	83	80,000	92½	89¾	2,000	87	84½	19,500
													30	30	9,000	45	40	5000
										84½	84½	500	96	87	2,500			
										85	85	2,500	82	82	8,000	80	80	500
							90	90	2,000	68¾	68¾	3,000				59¾	59¾	1,000
										87⅞	84½	31,700	86½	80	40,300	83½	83	8,500
										84	84	1,000	84	80	9,000	80	80	1,000
							89¾	88	47,000	97	90	118,500	99½	90	25,400	94	88	32,600

BANKS QUOTED ON TORONTO STOCK EXCHANGE

Comparative Statement of Prices and Sales during 1917 and 1918

BANKS	1917 JANUARY 1918						1917 FEBRUARY 1918						1917 MARCH 1918					
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
Commerce	185½	184¾	191	185	183¾	67	187	185	146	185	185	67	186½	184½	267	185	185	61
Dominion	212⅜	212	83	202	199	10	212⅜	210	118	202	202	24	212	207	142	202	202	14
Hamilton	191	190	7				191¼	191¼	5	185	184	56	192	191	61	184	184	38
Imperial	200½	197½	159	185	185	73	199	196	139	185	185	4	199	197½	149	185	185	39
Merchants				167	167	52												
Molsons	180	180	3															
Montreal	234	234	10															
Nova Scotia	255¼	255½	1							248	248	17	257	257	58			
Ottawa																		
Royal	214	212	47	205	205	16	214	211	46				213	212½	47			
Standard	215	214½	84	200	200	20	212	211	76	200	200	10	212	211	188	200	200	4
Toronto	192	190	60	184½	184¼	4	191	190	27	187	187	10	192	190	65	187	187	1
Union	140	139	43	140	137	57	140	139	50	144½	141	38	139	138	77	145⅝	145	147

(See over.)

BANKS QUOTED ON TORONTO STOCK EXCHANGE

Comparative Statement of Prices and Sales during 1917 and 1918

(Continued from previous page.)

	1917 APRIL			1918			1917 MAY			1918			1917 JUNE			1918			1917 JULY			1918		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	186	185¾	249	185¼	185	129	188	185	180	185½	185	58	186	186	145	185	185	133	187	185	96	185	185	65
2	207½	207	135	202	202	27	207	206	81	202	202	8	206	203	111	202	202	29	206	204	68	202	202	80
3	192	191	46	188	184	102	191	189	50	188	186	2	190	189	42				191	190	55	188	188	3
4	198	194	173	186	185	69	194	193½	93	185	185	144	192⅜	190	275	185	185	156	192	190	41	187	185	122
5										167	167	6				167	167	1				167	167	2
6							184	184	25				184	184	25									
7										210	210	8				210	210	11	220	220	5			
8	254	254	2	248	248	42	253¾	253½	25	248	248	38	252	252	12	248	248	4						
9							202	202	50							201	201	4						
10	213	213	6	208	208	1	213	213	7	208	208	4	212	210¼	15	208	208	3	212	210	49			
11	211	209	42	200	200	147	208	207	122	200¼	200	15	207	206	10	200	200	29	206	203	101	200⅜	200	78
12	189	189	15	187	187	50	188½	188½	5															
13	140	139½	26	151	146½	36	141½	138	26	150	150	56	140¼	140	91	150	149	160	142	142	10	162	150½	138

	1917 AUGUST			1918			1917 SEPTEMBER			1918			1917 OCTOBER			1918			1917 NOVEMBER			1918		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	186½	183	169	185½	185	145	185	184	247	185½	185	66	185⅝	184½	72	186	185¼	7	185	185	42	188	185	7
2	207½	206	76	202	202	42	207½	204½	19	202	202	78	203	203	36	202	202	10	202	202	87	202	202	123
3	191	191	30	188	185	10	189½	189½	3	188	185	5	186	184	83	185½	185⅝	30	184	184	77	188	188	10
4	197	193	52	186	185	148	197	194	70	185	185	139	194	185	113	186¾	185¼	32	185	185	85	190	187	162
5	168¼	168¼	6										169	168½	4				167	167	12			
6																								
7										210	210	6				210	210	60						
8										248	238	150				248	248	4				248	248	85
9																								
10	213	210	48				210½	208½	41	208	208	29				208	208	24				208	208	27
11	204	203	27	200	200	3	205	203	113				204	200	118	200	200	20				200	200	10
12	190	187½	8				187½	187½	1	187	187	10												
13	142	139	145	160	154¾	117	139¾	138	131	156	154½	80	138	137	19	155	154	36	139	136	85	156	151	40

	1917 DECEMBER			1918			1915			1916			1917			1918		
	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales	High	Low	Sales
1	185	182½	33	202	187	171	203	203	293	203	183	1,064	188	182½	1,837	202	183¼	976
2	202	202	15	209½	202	221	227	227	943	220	202	525	212⅛	202	971	209½	199	666
3				188⅝	185	16	208	201	222	200	190	131	192	184	459	188½	184	272
4	185	185	21	202½	193	208	210	210	745	204	198	743	200½	185	1,370	202½	185	1,296
5				180	167	92	180	180	49	180	169½	43	169	167	22	180	167	153
6							201	201	5				184	180	53			
7				216	212⅜	38	237⅝	237⅝	12	229⅜	220	42	234	220	15	216	210	123
8							261	261	27	261	255½	74	257	252	98	248	248	340
9				206	201	138	207	207	36	204	202	8	202	202	50	206	201	142
10	205	202	22	213	208	163	221¼	221¼	149	221¼	208	540	214	202	308	213	205	267
11	200	200	17	208¾	200	254	220	215	823	221	214	1,018	215	200	898	208¾	200	590
12	184½	184½	6	194	187	103	211	211	140	211	190	310	192	184¼	187	194	184½	178
13	137	136	132	154	154	15	140	140	266	140	131	618	142	136	735	162	137	920

Notable Prospectuses of the Year

ON pages 140, 142, 144 and 146 will be found reproduced the prospectuses of the four principal issues of national government bonds in Canada and the United States during the year 1918.

The first is the third Liberty Loan of the United States. This was for an amount of $3,000,000,000; subscriptions totalling $4,176,516,850 were received and were allotted in full. There was quite a difference between that and the second Liberty Loan in as much as while the subscriptions for the third loan totalled less the number of subscribers was more than doubled. The selling period for the third Liberty Loan lasted from April 6th to May 4th, 1918, a period of four weeks.

The next issue was the fourth Liberty Loan for a total of $6,000,000. This was over-subscribed by $866,416,300. The number of subscribers is estimated at 21,000,000 as compared with 18,307,325 in the case of the third loan. The selling period extended from September 28th to October 19th, a period of three weeks. This loan is the largest one on record in any country of the world.

Our own second Victory Loan campaign followed shortly after the fourth Liberty Loan closed. Full particulars will be found elsewhere in this issue.

Following the armistice announcement, subscriptions were invited in Canada for the French Loan of Liberation, the prospectus of which is reproduced on page 146. About $2,000,000 of subscriptions were received in this country, most of which came from banks and other financial institutions.

A fifth Liberty Loan is expected in the near future which will probably be the last issue of its kind, on this continent for the time being. The Canadian government is now supplied with funds for many months, and any further borrowing on their part will likely be through regular channels. The French loan was offered here for political rather than purely financial reasons. It is quite possible that other foreign issues may be offered here in connection with the adjustment of exchange relations.

The British government has maintained a system of continuous borrowing. This method was commenced in October, 1917, and within a year after that date £1,000,000,000 of national war bonds were issued. The prospectus for this issue was given in *The Monetary Times* of January 4th, 1918. The bonds are for periods of five, seven and ten years respectively, with interest at 5 per cent., and repayable at 102, 103, and 105 respectively; and 4 per cent. ten-year bonds repayable at 100, which are free of income tax. The price of all bonds is par.

A second issue of £1,000,000,000 was authorized in October of 1918, and selling commenced immediately. In view of new financial conditions it is not probable that this issue will be completed as the government's expenses have already commenced to decrease.

Reliable Information
on
Western Farm Lands

One of the main features of the service of the UNITED GRAIN GROWERS SECURITIES COMPANY, LIMITED, is summarized in those two words, "Reliable information."

The Company owns no land, but was formed to facilitate the handling of Western farm lands and to furnish information and appraisals on land. Its activities comprise:

Buying Farms and Farm Lands
Selling Farms and Farm Lands
Appraising Farms and Farm Lands
For Clients

The facilities which this Company command make it possible to give a standard of information regarding farm lands in all parts of Western Canada which has never before been approached. This is due principally to the parent company, United Grain Growers, Limited, whose organization comprises over 37,000 farmer shareholders, 50,000 additional customers and over 300 interior elevators.

A large staff of active agents, direct connection with farmers' organizations throughout the three prairie provinces, field men travelling this territory constantly, and contact with new settlers, all enable us to handle farm lands to best advantage. Both buyers and sellers have complete confidence in the business methods of this Company. Its organization enables it to put the owner of lands in touch with the market and to secure for the prospective buyer a wide range of choice.

Appraisals, including complete report on land, as well as valuation furnished on lands, in any part of the West.

If interested in Western Lands write to

UNITED GRAIN GROWERS
SECURITIES COMPANY, LTD.

WINNIPEG REGINA CALGARY

NOTABLE PROSPECTUSES OF THE YEAR

(For explanatory note see page 138)

1. *Third Liberty Loan of the United States. April, 1918. $3,000,000,000.*

$3,000,000,000

UNITED STATES OF AMERICA

FOUR AND ONE-QUARTER PER CENT. GOLD BONDS OF 1928

THIRD LIBERTY LOAN

Dated and bearing interest from May 9, 1918 **Due September 15, 1928**

Interest payable September 15, 1918, and thereafter March 15 and September 15

Authorized by an act of Congress approved September 24, 1917, as amended by an act of Congress approved April 4, 1918. Offered for subscription in Department Circular No. 111, of April, 1918, to be found on the following pages, to which reference is made for full information concerning the bonds and this offering, and from which the statements on this page are summarized and to which they are subject.

DENOMINATIONS: Coupon and registered bonds, $50, $100, $500, $1,000, $5,000, $10,000; and registered bonds, $50,000 and $100,000.

EXEMPT as to principal and interest from all taxation by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (*a*) estate or inheritance taxes, and (*b*) United States graduated additional income taxes (commonly known as surtaxes) and excess-profits and war-profits taxes. The interest on an amount of bonds and certificates authorized by said act approved September 24, 1917, or by said act as amended by said act approved April 4, 1918, the principal of which does not exceed in the aggregate $5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (*b*) above.

NON-CONVERTIBLE and not subject to call for redemption before maturity.

BONDS RECEIVABLE at par and accrued interest in payment of United States estate or inheritance taxes upon the estate of any person who shall have owned them continuously for at least six months last preceding his death.

BOND PURCHASE FUND: The Secretary of the Treasury is authorized, from time to time, until the expiration of one year after the termination of the war, to purchase bonds of this issue to an amount not exceeding, in the first year from the date of issue of such bonds, one-twentieth of the par amount of such bonds originally issued, nor, in any subsequent year, one-twentieth of the par amount of such bonds outstanding at the beginning of such subsequent year.

APPLICATIONS must reach the Treasury Department, Washington, D.C., a Federal Reserve Bank, or a branch thereof named in said circular, or some incorporated bank or trust company within the United States (not including outlying territories and possessions) on or before the close of business May 4, 1918, the right being reserved by the Secretary of the Treasury to close the subscription at any earlier date. All applications for bonds in excess of $10,000 par amount will be received subject to allotment.

TERMS OF PAYMENT:

5 per cent. with application on or before May 4, 1918.
20 per cent. on May 28, 1918.
35 per cent. on July 18, 1918.
40 per cent. on August 15, 1918 (with accrued interest from May 9, 1918, on the three deferred installments).

Payment in full of any subscription may, if the subscriber so elects, be made, without rebate of interest, with the application on or before May 4, 1918, Otherwise payment for the bonds subscribed for must be completed so as to reach a Federal Reserve Bank, or a branch thereof, on May 9, 1918, or, with accrued interest, on May 28, July 18, or August 15, 1918, previous installments having been duly paid.

AMOUNT OF ISSUE: Subscriptions for $3,000,000,000 of the bonds are invited, the right being reserved to allot additional bonds up to the full amount of any oversubscription.

DELIVERY: Bonds as described in the circular will be delivered promptly after completion of payments therefor, but no such deliveries will be made prior to May 9, 1918, except to subscribers for coupon bonds not in excess of $10,000 par amount who make payment in full on or before May 4, 1918. The right is reserved in making deliveries before May 9 to deliver bonds of the largest denomination or denominations, not exceeding $1,000, contained in the respective amounts of bonds subscribed for.

PRICE, 100% AND ACCRUED INTEREST.

TREASURY DEPARTMENT, *Washington, April 6, 1918.*

Is Your Business Outgrowing Your Banking Accommodations?

MANY prosperous business enterprises desire additional capital for one or more of the following purposes:—

1. To increase plant capacity and finance a rapidly growing business.
2. To retire bonds or other indebtedness.
3. To acquire additional properties, etc.

While large business enterprises are able to secure capital without difficulty, the manufacturer who needs less than $250,000 usually faces one of the two following alternatives: (A) Relinquishing stock control or (B) Paying exorbitant commissions. Both of these conditions are avoided by our plan of underwriting an Industrial Bond or Stock Issue.

We underwrite securities of Canadian Industrial Corporations which meet our requirements as to Earnings and Management, and market them quickly and economically.

Full information upon request.

GRAHAM, SANSON & Co.
INVESTMENT BANKERS
MEMBERS TORONTO STOCK EXCHANGE
Toronto General Trusts Building, TORONTO

CORRESPONDENCE INVITED

MOST FAVORABLE PRICES QUOTED FOR BUYING OR SELLING ALL CANADIAN WAR LOANS

R. A. DALY & CO.
BANK OF NOVA SCOTIA BUILDING
TORONTO, ONT.

The Western Agencies and Development Company, Limited

CALGARY - - ALBERTA

FARM LANDS AND INVESTMENTS

This Company is prepared to assist in the development of Western Canada by financing new industries of sound character.

BOARD OF DIRECTORS

Col. J. S. DENNIS, President. C. P. TAPRELL, Vice-President.
Thoburn Allan, R. Randolph Bruce, T. H. Blow, M.D.
A. E. Cross, James W. Davidson, George Lane
Neil Macphatter, M.D., William Pearce
H. H. Farman - Manager

REFERENCES—Bank of Montreal or any Mercantile Agency

2. ***Fourth Liberty Loan of the United States. October, 1918. $6,000,000,000. 15 and 20 Year 4¼% Bonds at Par.***

$6,000,000,000

UNITED STATES OF AMERICA

FOUR AND ONE QUARTER PER CENT GOLD BONDS OF 1933-38

FOURTH LIBERTY LOAN

Dated and bearing interest from October 24, 1918 Due October 15, 1938

REDEEMABLE AT THE PLEASURE OF THE UNITED STATES AT PAR AND ACCRUED INTEREST ON AND AFTER OCTOBER 15, 1933

Interest payable April 15 and October 15

Authorized by an act of Congress approved September 24, 1917, as amended by the acts of Congress approved April 4, 1918, and July 9, 1918, and supplemented by an act of Congress approved September 24, 1918. Offered for subscription in Department Circular No. 121, dated September 28, 1918, to be found on the following pages, to which reference is made for full information concerning the bonds and this offering, and from which the statements on this page are summarized and to which they are subject.

AMOUNT OF ISSUE: Subscriptions for $6,000,000,000 of the bonds are invited, the right being reserved to allot additional bonds up to the full amount of any oversubscription.

DENOMINATIONS: Coupon and registered bonds, $50, $100, $500, $1,000, $5,000, $10,000; and registered bonds, $50,000 and $100,000.

APPLICATIONS must reach the Treasury Department, Washington, D.C., a Federal Reserve Bank, or a branch thereof, or some incorporated bank or trust company within the United States (not including outlying territories and possessions) on or before the close of business October 19, 1918, the right being reserved by the Secretary of the Treasury to close the subscription on any earlier date.

TERMS OF PAYMENT:

10 per cent. with application on or before October 19, 1918.
20 per cent. on November 21, 1918.
20 per cent. on December 19, 1918.
20 per cent. on January 16, 1919.
30 per cent. on January 30, 1919 (with accrued interest from October 24, 1918, on the four deferred installments).

Payment in full of any subscription may, if the subscriber so elects, be made, without rebate of interest, with the application on or before October 19, 1918. Otherwise payment for the bonds subscribed for must be completed so as to reach a Federal Reserve Bank, or a branch thereof, on October 24, 1918, or, with accrued interest, on November 21, 1918, December 19, 1918, January 16, 1919, or January 30, 1919, previous installments having been duly paid.

DELIVERY: Bonds as described in the circular, dated October 24, 1918, and bearing interest from that date, will be delivered promptly after due completion of payment therefor, and may be delivered prior to October 24, 1918, to subscribers who make payment in full in cash on or before October 19, 1918. In making deliveries before October 24, the right is reserved to deliver bonds of the largest denomination or denominations, not exceeding $1,000, contained in the respective amounts of bonds subscribed for. Bonds will be delivered by the several Federal Reserve Banks as fiscal agents of the United States as far as practicable in accordance with written instructions given by the subscribers, and, within the United States, its territories and insular possessions, at the expense of the United States.

PRICE 100% AND ACCRUED INTEREST

TREASURY DEPARTMENT,
Washington, September 28, 1918.

GOVERNMENT
MUNICIPAL AND
PUBLIC UTILITY

BONDS

Correspondence Invited

NESBITT, THOMSON & CO.
LIMITED
Investment Bankers
222 St. James Street - MONTREAL
Mercantile Trust Bldg. - HAMILTON

British Columbia Timber

For the benefit of those wishing to invest in standing timber, I wish to state that I have a large amount of the finest standing timber in British Columbia for sale.

This timber is situated along the coast of British Columbia and is very easily lumbered as it is convenient to the water and by erecting a mill where the timber grows it can be sawn up and shipped from the mill through the Panama Canal to any of the European markets, or by rail to the Western Prairie country.

I am in a position to deal with parties desiring timber for either ***Pulp*** or ***Lumber Purposes.***

Convenient to where the timber grows are some of the finest water powers, which can be easily installed and will produce unlimited power at any season of the year.

I would be glad to furnish more detailed information to any parties wishing to invest in timber for either ***Pulp*** or ***Lumber Purposes*** and I am satisfied that I have what will meet their requirements in this line.

Patrick Donnelly
736 Granville St. - VANCOUVER, B.C.

Greenshields' Review

A BRIEF summary of the financial outlook. Our "Investment Suggestions" accompany each copy of the Review and give those securities presenting the most attractive opportunity in the investment market from time to time. Sent upon request to business men and investors.

¶We purchase good securities by partial payments. Our booklet "Savings and Investment" which tells about this plan of acquiring good securities in detail sent upon request.

¶Our Statistical Department is equipped to furnish detailed reports regarding any security upon request.

¶Our membership on the Montreal Stock Exchange and private wire connections give us excellent facilities for executing orders on all markets.

¶Interest allowed on funds awaiting investment.

GREENSHIELDS & CO.
Members Montreal Stock Exchange
Dealers in Canadian Bond Issues-
17 St. John Street, Montreal
Central Chambers, Ottawa

3. *Canada's Second Victory Loan of November, 1918. $300,000,000. 5½% Bonds at Par.*

THE MINISTER OF FINANCE OF THE DOMINION OF CANADA offers for Public Subscription the

VICTORY LOAN 1918

$300,000,000 5½% Gold Bonds

Bearing interest from November 1st, 1918, and offered in two maturities, the choice of which is optional with the subscriber as follows:

5 year Bonds due November 1st, 1923
15 year Bonds due November 1st, 1933

Principal payable without charge at the Office of the Minister of Finance and Receiver General at Ottawa, or at the Office of the Assistant Receiver General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary and Victoria.
Bonds may be registered as to principal or as to principal and interest, at any of the above-mentioned offices.
Interest payable, without charge, half-yearly, May 1st and November 1st at any branch in Canada of any Chartered Bank.

Principal and Interest payable in Gold

Denominations: $50, $100, $500 and $1,000

Issue Price: 100 and Accrued Interest

Income Return 5½% per Annum

Free from taxes—including any income tax—imposed in pursuance of legislation enacted by the Parliament of Canada.

The proceeds of the Loan will be used for war purposes only, including the purchase of grain, foodstuffs, munitions and other supplies, and will be spent wholly in Canada.

Payment to be made as follows:

10 per cent. on application;
20 per cent. December 6th, 1918;
20 per cent. January 6th, 1919;
20 per cent. February 6th, 1919;
31.16 per cent. March 6th, 1919.

The last payment of 31.16 per cent. covers 30 per cent. balance of principal and 1.16 per cent. representing accrued interest at 5½ per cent. from November 1st to due dates of the respective instalments.

A full half year's interest will be paid on May 1st, 1919, making the cost of the bonds 100 and interest.

Subscriptions may be paid in full at the time of application at 100 without interest; or on any instalment due date thereafter together with accrued interest at the rate of 5½ per cent. per annum.

This Loan is authorized under Act of the Parliament of Canada, and both principal and interest are a charge upon the Consolidated Revenue Fund.

The Amount of this issue is $300,000,000, exclusive of the amount (if any) paid for by the surrender of bonds of previous issues. The Minister of Finance, however, reserves the right to allot the whole or any part of the amount subscribed in excess of $300,000,000.

Conversion Privileges

Bonds of this issue will, in the event of future issues of like maturity, or longer, made by the Government, during the remaining period of the War, other than issues made abroad, be accepted at 100 and accrued interest, as the equivalent of cash for the purpose of subscription to such issues.

Payments

All cheques, drafts, etc., covering instalments, are to be made payable to the Credit of the Minister of Finance. Failure to pay any instalment when due will render previous payments liable to forfeiture, and the allotment to cancellation. Subscriptions must be accompanied by a deposit of 10 per cent. of the amount subscribed. Official Canvassers will forward subscriptions or any branch in Canada of any Chartered Bank will accept subscription and issue receipts.

Subscriptions may be paid in full at time of application at 100 without interest; or on any instalment due date thereafter together with accrued interest to time of making payment in full. Under this provision, payment of subscriptions may be made as follows:—

If paid in full on or before Nov. 16th, 1918, par without interest, or 100 per cent.
If remaining instalments paid on Dec. 6th, 1918, balance of 90 per cent. and interest, ($90.48 per $100.)
If remaining instalments paid on Jan. 6th, 1919, balance of 70 per cent. and interest, ($70.80 per $100.)
If remaining instalments paid on Feb. 6th, 1919, balance of 50 per cent. and interest, ($51.04 per $100.)
If remaining instalment paid on Mar. 6th, 1919, balance of 30 per cent. and interest, ($31.16 per $100.)

Denomination and Registration

Bearer bonds, with coupons, will be issued in denominations of $50, $100, $500, and $1,000, and may be registered as to principal. The first coupon attached to these bonds will be due on May 1st, 1919.

Fully registered bonds, the interest on which is paid direct to the owner by Government cheque, will be issued in denominations of $50, $100, $500, $1,000, $5,000, $10,000, $25,000, $50,000, $100,000, or any multiple of $100,000.

Payment of Interest

A full half year's interest at the rate of 5½ per cent. per annum will be paid May 1st, 1919.

Form of Bond and Delivery

Subscribers must indicate on their application the form of bond and the denominations required, and the securities so indicated will be delivered by the bank upon payment of the subscription in full.

Bearer bonds of this issue will be available for delivery at the time of application to subscribers desirous of making payment in full. Bonds registered as to principal only, or fully registered as to principal and interest, will be delivered to subscribers making payment in full, as soon as the required registration can be made.

Payment of all instalments must be made at the bank originally named by the subscriber.

Non-negotiable receipts will be furnished to all subscribers who desire to pay by instalments. These receipts will be exchangeable at subscriber's bank for bonds on any instalment date when subscription is paid in full.

Form of Bonds Interchangeable

Subject to the payment of 25 cents for each new bond issued, holders of fully registered bonds without coupons, will have the right to convert into bonds with coupons and holders of bonds with coupons will have the right to convert into fully registered bonds without coupons, at any time, on application to the Minister of Finance or any Assistant Receiver General.

Forms of application may be obtained from any Official Canvasser, from any Victory Loan Committee, or member thereof, or from any branch in Canada of any Chartered Bank.

Subscription Lists will close on or before November 16th, 1918

141

DEPARTMENT OF FINANCE, OTTAWA, October 28th, 1918

Behind the Gun the Man — Behind the Man the Dollar
Make Your Dollars Fight the Hun

W. F. Mahon & Co.

HALIFAX, N.S., Can.

CANADIAN GOVERNMENT AND MUNICIPAL BONDS

We are closely in touch with Eastern Maritime conditions, this being the predominating Financial centre.

We invite correspondence

CANADIAN BONDS

DOMINION GOVERNMENT

PROVINCIAL GOVERNMENT

CITIES

TOWNS

MUNICIPALITIES

Quotations on above Securities furnished on application

C. H. Burgess & Company

BANK OF HAMILTON BUILDING
TORONTO, CANADA

Farm Lands and Mortgage Investments

RENTAL AGENTS
ALL BRANCHES OF INSURANCE

GENERAL AGENTS:

Mount Royal Assurance Company
Connecticut Fire Insurance Company
Employers Liability Assurance Corp.
General Animals Insurance Company

BUTLER, BYERS BROS., Limited

Saskatoon, Sask.

CANADIAN

Bond and Mortgage

CORPORATION

ELECTRIC RAILWAY CHAMBERS
WINNIPEG, CANADA

Subscribed Capital	-	$793,100.00
Paid up and Reserve	-	518,774.00

J. C. McGAVIN, President
C. H. ENDERTON, A. R. DAVIDSON } Vice Presidents
ROBERT F. McMILLIN, Secretary

First Mortgages on Improved Farm Lands
Current Rates of Interest
Bonds and Debentures Purchased.

4.

French Loan of Liberation. September, 1918.
4% Perpetual Rentes.

FRENCH REPUBLIC

Loan of Liberation

New 4% Loan authorized by the Law of 19th September, 1918.

IN PERPETUAL "RENTES" OF 4% PAYABLE IN FRANCS.

Free of all present and future French taxes.

The Loan, which is a direct obligation of the Republic of France, cannot be redeemed or converted before the 1st January, 1944.

ISSUE PRICE Francs 70.80 per 100 Francs

of nominal capital payable in full on subscription, with the benefit of accrued interest from the 16th October, 1918.

Coupons are payable quarterly, 16th January, April, July and October. The first coupon will be due on 16th January, 1919.

Subscriptions to the Loan are being received in France as well as in London. In Canada all Branches of Chartered Banks are authorized to receive subscriptions up to the 14th of December, 1918, inclusive, at the fixed rate of—

Frs. 5.35 to the Dollar

The subscription price in Canada is therefore:—

$ 33.08	for	10	frs.	in	"Rentes",	say	250	frs.	of	Nominal Capital.
$ 165.42	"	50	"	"	"	"	1250	"	"	"
$ 330.84	"	100	"	"	"	"	2500	"	"	"
$1654.20	"	500	"	"	"	"	12500	"	"	"
$3308.41	"	1000	"	"	"	"	25000	"	"	"

Yield:—Taking into account the bonus of accrued interest, the investment yields approximately **5.70%.** In the event of the quotation for these rentes increasing to 90 in 5 years the yield would be 10.07% per annum for the period, corresponding to an increment of 31⅔%.

Proceeds of Canadian Subscriptions will be spent in Canada

For Subscription Blanks apply to any Chartered Bank.

CONSULATE GENERAL OF FRANCE IN CANADA.
Montreal, 18th November, 1918.

A Sound Principle

In Provincial Finance

Established in Manitoba

At the 1918 Session of the Legislative Assembly of the Province of Manitoba an Act was passed respecting the Capital Funds of the Province the importance and significance of which will be generally recognized. The Act speaks for itself and may therefore be quoted:

1. Whenever, in the future, moneys shall be received by the provincial treasurer from the sale or other disposition of provincial lands, mines, timber or other assets or resources of the province, they shall, except as hereinafter provided, be treated as capital funds of the province, to be invested at interest, or used for strictly capital expenditures, or applied in reduction of the capital debts of the province in such way as may be deemed most advisable by the Lieutenant-Governor-in-Council, and no part of such moneys shall be used for ordinary expenditures of the province, or to supplement its ordinary revenue, but all interest upon such capital funds, whether accruing upon deferred payments thereof, or arising from investments thereof, shall, when received, be treated as ordinary revenue, and may be applied in paymeat of ordinary expenditures.

2. Moneys received for rents of land, grazing leases and timber cutting rights, for grants of fishing and game licenses, and for all rights of which the exercise by the grantees shall not substantially impair the permanent value of the properties over which they are exercised, shall be dealt with and treated as ordinary revenue of the province.

3. Royalties derived from mineral, gas or oil deposits in the province, when collected from persons or companies extracting the same under license or permission from the government of the province, shall be deemed to be receipts on capital account within the meaning of this Act.

4. Every person who shall be a party or privy to the wilful application of any of the capital funds of the province, in contravention of the provisions of section 1 of this Act, shall be guilty of an offence against this Act, and liable to the punishment provided for in section 164 of The Criminal Code.

This Act came into full force and effect on the first day of December, 1918, and is therefore to-day Law of the Province of Manitoba.

EDMONTON CIVIC UTILITIES

Years of Operation Have Resulted in a Small Balance on Right Side

By H. M. E. Evans

The city of Edmonton is a thorough-going example of the principle of municipal ownership. Supporter and opponent alike may very possibly regard the results each according to his bias as proving his contention. For, summing up all the vicissitudes into one grand aggregate result to the end of last year, brings it out as nearly as possible a draw.

Edmonton owns and operates its waterworks, street railway, telephone and electric light and power distribution. Until June 30th, 1916, the central power station was also operated, but it is now under lease to the Alliance Power Company. From the time the earliest of these was established or acquired in the year 1901 down to the 31st December, 1917, the aggregate figures are:—

Gross earnings, all utilities	$15,269,212.42
Operation, maintenance, depreciation and capital charges	15,260,678.33
Net surplus at 31st December, 1917	$ 8,534.09

For the last nine months, however, the supporter of municipal ownership has once more the best of it, the corresponding aggregate results being:—

Gross earnings, all utilities	$1,267,706.00
Operation, maintenance, depreciation and capital charges	1,250,747.57
Net surplus, 9 months to 30th September, 1918	$ 16,958.43

Moreover, compared with the immediate past and in spite of increased wages and costs of material, the result is even more gratifying and full of hope for the future:—

9 months, 1st January, 1917, to 30th September, 1917, net deficit	$37,011.00
9 months, 1st January, 1918, to 30th September, 1918, net surplus	16,958.43
Betterment over last year	$53,969.43

Aggregate Results by Years.

There is real need for treating with aggregate results in the case of Edmonton's utilities, because there has undoubtedly been much "robbing of Peter to pay Paul," notably in the case of the city power plant, whose customers were the other city utilities. For some years prior to its being leased to the Alliance Power Company, the power house was allowed to charge rates for current that piled up very large surpluses. Thus by exhibiting combined results we eliminate the effects of fluctuating policies in the inter-trading between the utilities.

Combined Results, all Civic Utilities.

Year.	Deficit.	Surplus.
1902	.....	$ 3,069.65
1903	.....	1,100.83
1904	.....	4,575.39
1905	.....	11,404.08
1906	.....	10,999.11
1907	.....	26,091.88
1908	.....	1,495.22
1909	$ 47,717.57	.....
1910	31,969.16	.....
1911	31,771.31	.....
1912	.....	46,748.37
1913	.....	35,867.64
1914	.....	31,639.18
1915	48,566.01	.....
1916	.....	12,643.35
1917	17,076.56	.....
	$177,100.61	$185,634.70
Net result to 31st December, 1917—surplus		$ 8,534.09
Nine months to 30th September, 1918—surplus		16,958.43
Net result to 30th September, 1918—surplus		$ 25,492.52

A statement of the results by utilities and not by years is given at the end of this article.

The figures for the resultant balances of the utilities profit and loss accounts in the regular city statements do not reflect the net results shown here, because on several occasions amounts have been transferred from surplus to special reserves.

It would be impossible in the limits of this article to go into detailed descriptions of the individual departments, but some few explanations may be given.

Electric Light and Power Department.

This department originated with the taking over by the city in 1901 of the Edmonton Light and Power Company. There are now more than 14,000 consumers of light, 400 of power and an equal number of customers for domestic, heating and cooking supply. Electric current is sold at the following rates:—

For lighting: 1 to 300 k.w.h. per month, 7 cents per k.w.h.; 301 to 1,000 k.w.h. per month, 6 cents per k.w.h.; 1,001 and up per k.w.h., 5.5 cents per k.w.h. With additional discount of 25 per cent. on consumption of 10,000 k.w.h. and over when load satisfies off-peak conditions.

For power: 1 to 150 k.w.h. per month, 3 cents per k.w.h.; 151 to 300 k.w.h. per month, 2.5 cents per k.w.h.; 301 to 5,000 k.w.h. per month, 1.5 cents per k.w.h.; 5,001 to 25,000 k.w.h. per month, 1.2 cents per k.w.h.; 25,001 and up, 1 cent net. Current for domestic appliances for heating, cooking, etc., on special meter, same as power rates. Except where marked "Net" bills are subject to 10 per cent. discount for cash within ten days.

There are special provisions as to minima and loads of particular characteristics in relation to the peak, but the above are the main charges for the purposes of comparison with other places.

This department has since its inception been under the continuous control of the same superintendent and has shown surpluses in every year of operation with a single exception, amounting in the aggregate to the very handsome total shown above, of $528,528.99.

Waterworks Department.

Since its establishment in 1903, this department has shown surpluses in five of the years, and deficits, generally small, in the other ten years, the net aggregate result being as shown, a surplus of $62,756.81.

The total mileage of water mains is 165 miles; water connections number nearly 11,000; hydrants, 798; public water-troughs, 14; and five hygienic drinking fountains; daily consumption about 5,500,000 gallons.

About 80 per cent. of the water services are metered and the rates run from 25 cents to 10 cents per hundred cubic feet, according to volume consumed: e.g., up to 800 cubic feet per month, 25 cents per 100 cubic feet; from 7,000 cubic feet to 13,600 cubic feet per month 15 cents per 100 cubic feet; 46,000 cubic feet and upwards per month, 10 cents per 100 cubic feet. Minimum charge, $1—5 per cent. discount.

These rates will be found to compare favorably with other pumping systems.

The water is taken from the North Saskatchewan River and is filtered and sterilized, giving a supply that is excellent by every test.

Telephone Department.

This department was established in 1904 with a manual system. In 1908 the automatic was substituted, with a capacity of about 800 subscribers. The total number of subscribers to-day is 8,170; average calls per day, 110,000; underground cable, 41.18 miles; aerial, 112.99 miles; total number of telephones, 10,099.

The following comparison of rates charged in some of the principal cities of the west shows that Edmonton works out the lowest:—

	Business.	Residence.
Edmonton	$45	$24
Calgary	48	24
Vancouver	48	36
Victoria	48	36
Winnipeg	60	30

Since its establishment this department has shown surpluses in eight of the years and deficits in the remaining five, with the aggregate result of a net surplus of $942.46. However, much better things are expected because the last two years and nine months under the present management have shown surpluses aggregating $45,711.02, thus wiping out the previous net deficit.

PEMBERTON & SON

418 Howe St. - - VANCOUVER

OUR DEPARTMENTS, with a word about each:—

MORTGAGE—Our many years' experience and intimate knowledge of conditions makes it possible to give practical, efficient service to investors.

BOND—Representatives: Wood, Gundy & Company.

CITY REAL ESTATE—We buy, sell, rent and appraise residential, retail, wholesale and factory properties, maintaining a conservative but aggressive department.

FARM LANDS—We deal in improved farm lands throughout the Province, and give practical farming information.

INSURANCE—Fire, Automobile, Accident. We offer complete facilities on ratings, forms and the placing of large lines.

EACH DEPARTMENT IS IN CHARGE OF A CAPABLE MANAGER

We Solicit Correspondence

Alberta Flour Mills, Limited

Incorporated under the "Companies Act, Part 1," of the Dominion of Canada, with an authorized capital of $5,000,000, divided into 50,000 shares of the par value of $100 each.

Official permission for the issue of these securities (or shares), as required by Order-in-Council (3439, of December 22, 1917), has been duly obtained.

The 6,000 barrel per day mill and storage elevator of 1,000,000 bushels will be constructed of reinforced concrete, and when completed will be the latest type and best equipped in Western Canada. Construction of the plant is well under way.

The Directors of the Company—

MR. GEO. LANE, Calgary, President
MR. A. E. CROSS, Calgary, Vice-President
MR. EDW. E. STEVENS, Minneapolis, General Manager
MR. WM. PEARCE, Calgary, Director
MR. DAN. E. RILEY, High River, Alta., Director
COLONEL J. S. DENNIS, Calgary, Director

offer to the public 25,000 shares of the Capital Stock at the par value of $100 each. There is no bonus stock or promotion stock. Directors and investors alike pay par for their holdings.

Securities are handled direct from the Head Office of the Company.

Alberta Flour Mills, Limited - 213 Eighth Avenue West - Calgary, Canada

Street Railway.

The Edmonton municipal street railway was established in 1908, and has consistently shown a deficit ever since, reaching the very large figure shown in the general table, and all but wiping out the combined surpluses of the other departments. The chief cause of this showing is over capitalization, and it illustrates more than any other of the utilities the danger of municipal ownership in encouraging extensions on anything but a business basis. Looking solely to operation, the figures are very different, as the following table will show:—

From 1907 to 30th September, 1918.

	Accumulated to December 31, 1917.	For nine months, 1918.
Gross earnings	$3,834,637.96	$392,304.36
Less operation and maintenance.	3,179,934.24	288,975.49
Surplus on operation	$ 654,703.72	$103,328.87
Less capital charges	1,506,162.02	191,243.61
Net deficit	$ 851,458.30	$ 87,914.74
		851,458.30
Total net deficit to 30th September, 1918...		$939,373.04

On a single track basis the mileage is 54, much of it consisting of unprofitable extensions to sparsely settled parts of the city. The present equipment includes 74 passenger cars and six other cars, such as sweepers, sprinklers, etc. The car barns are most elaborate, and their construction is one item of the over-capitalization referred to. The debenture debt as at 31st December, 1917, was $3,067,812.51.

On May first of this year a new basis of fares was put in operation and five tickets are sold for twenty-five cents at depots off the cars, and on the cars up till 8.30 in the morning; otherwise four tickets for twenty-five cents. The cash fare is seven cents; after 11 p.m., ten cents, or two tickets.

The general adoption of the one-man cars has materially reduced the operating costs, which together with the slight increase in fares has, with excellent management, enabled the current year to show a marked improvement, as follows:—

	Nine months, 1st January, 1917, to 30th September, 1917.	Nine months, 1st January, 1918, to 30th September, 1918.
Gross earnings	$357,829.91	$392,304.36
Operation and maintenance.	297,723.39	288,975.49
Surplus on operation	$ 60,106.52	$103,328.87
Depreciation and capital charges	189,627.57	191,243.61
Net deficit	$129,521.05	$ 87,914.74
Betterment in the year		$ 41,606.31

Power House.

The experience of this department need not be detailed. It is now being operated by another company although still owned by the city. For the first three years of its operation the practice was to split up its expense among the departments using power, and the power house showed neither a surplus nor a deficit. Then for several years arbitrary and very high rates were fixed for the power, so that that department showed large surpluses, to the corresponding disadvantage of its fellow-departments.

The general future of all Edmonton's utilities depends on the return of population after the war. It must be borne in mind that enlistments were extremely heavy from this city, and that, generally speaking, we got little direct benefit from war activities to compensate for this. There is the confident belief that the city has everything to gain and nothing to lose during the reconstruction and after the war periods, so that the comparatively favorable showing made in the nine months of this year may be expected to be maintained and increased in the future.

Results of Edmonton's Utilities

First year of operation.	Utility.	Gross earnings.	Operation, maintenance, depreciation and capital charges.	Net deficit to 30th September, 1918.	Net surplus to 30th September, 1918.
1902	Electric light and power	$ 4,359,329.52	$ 3,830,800.53	.....	$528,528.99
1908	Street railway	4,226,942.32	5,166,315.36	$939,373.04	.....
1904	Telephone	1,744,497.50	1,743,555.04	.....	942.46
1908	Power plant (to 30 June, 1916)	3,508,640.96	3,136,003.66	.....	372,637.30
1903	Waterworks	2,697,508.12	2,634,751.31	.....	62,756.81
		$16,536,918.42	$16,511,425.90	$939,373.04	$964,865.56
					939,373.04
	Net surplus to 30th September, 1918, on all utilities				$ 25,492.52

NO MUNICIPALITIES IN DEFAULT

Though Some Delays Have Occurred in Meeting Payments in British Columbia

In reply to a question from the Monetary Times as to defaulting municipalities, Mr. Robert Baird, Inspector of Municipalities for British Columbia, says, with reference to that province:—

"I am very glad to say that there are no municipalities in this province in default at the present time.

"It has come to my attention that a number of municipalities have since 1914 been temporarily hard pressed for funds to meet their interest and in one or two cases the payment of the coupons has been delayed for a short time, but only temporarily and for a small amount.

"In the municipality of South Vancouver a default was expected and action was taken accordingly by the provincial government. The circumstances in that case were rather exceptional. The municipality had borrowed $790,000 by hypothecation of unsold bonds and had also borrowed by an issue of treasury certificates against the arrears of taxes. It became evident that under existing conditions the bonds hypothecated were unsaleable and the arrears of taxes hypothecated were temporarily at least uncollectable. The provincial government advanced moneys to protect the obligations of the municipality and at the same time placed in charge of the municipality an official to protect provincial interests. With the exception of the municipality of South Vancouver the financial embarrassments have been on a very small scale in this province.

"In 1901 the town of Wellington was placed in the hands of a receiver and the provincial government paid liabilities amounting to only a few hundred dollars and at the same time took over the municipal assets. The town was then disincorporated.

"In 1906 the district of Dewdney suffered from an overflooding from the Fraser River and as a result became temporarily deserted territory. The provincial government disincorporated the municipality and arranged with the bond holders for a retirement of the bonds, at the same time distributing the burden between the province and the lands where the municipality had been. The total liabilities of the municipality at the time of the disincorporation were $31,160.

"In 1913 the city of Sandon, then a deserted mining town, was placed under a receiver. The provincial government appointed the receiver and made arrangements with the bond holders for an extension of the time for repayment of the bonds. The total indebtedness at the time was $10,000 and this has since been repaid."

In order that the Dominion government may have before it a complete view of the question of good roads and the part that the Federal authorities should play in promoting excellent highways throughout the Dominion, Mr. Arch. W. Campbell has been appointed a commissioner for the purpose of studying the matter and making a report to the Cabinet.

CITY OF MOOSE JAW

Saskatchewan's Railway Centre

Population	1901		1,558
"	1906		6,249
"	1911		13,823
"	1916		16,934
" (Est.)	1918		20,000

1918

Gross Assessment	$29,606.955
Taxable Asssessment	24,462,055

Improvements Assessed at 45% of value.

Gross debenture debt, $5,761,569.00

Net debt after deducting Sinking Fund and Public Utility debentures, $1,932,992.73.

	TAX LEVY	TAX RATE
Municipal Rate	$431,891.32	17.75 mills
Public School Rate	150,275.24	6.40 "
High School Rate	25,685.15	1.05 "
Public Library Rate	19,482.92	.80 "
Public Revenues Tax (Imposed by Provincial Government)	48,916 86	2.00 "
	$676,251.49	28.00 mills

Fire Loss (10 months, 1918) $50,000.00.

Surplus of assets over liabilities $2,598,742.69.

Light and Power Plant owned by City—Surplus at 31st Dec., 1917, after paying all charges, including interest, Sinking Fund and Depreciation, $7,692.32.

	BANK CLEARINGS	CUSTOMS RECEIPTS
1917	$64,896.741.00	$632,785.23
1918 (11 months)	$68,200,769.00	$482,566.08

Consolidated Balance Sheet as at 31st October, 1918

ASSETS		
Land, buildings and other properties		$3,611,449.80
Public Utilities		1,937,863.07
Current Assets		1,131,344.96
Tax Sale Certificates		216,012.11
Local Improvements, deferred assessments		833,985.15
International Milling Co. and Victory Loan Bonds		325,938.44
Materials on hand and advances for construction		350,881.33
Miscellaneous		13,630,78
Total		$8,421,105.64

LIABILITIES		
General Debentures		$3,572,397.71
Utility Debentures		1,349,172.33
Total		$5,761,569,90
Deduct: Sinking Fund Investments		654,273.61
Net Bonded Debt		5,107,296.29
Accrued Debenture Interest		113,758.26
Bank Loans Current A/C.	$ 241,000.00	
A/C's payable and accrued liabilities		587,640.17
Excess Levies		13,668,23
Total liabilities		5,822,362.95
SURPLUS:		
Capital, including Local Improvements	$2,077,202.76	
Revenue	521,539.93	
Net Total		2,598,742.69
Total		8,421,105.64

PUBLIC FINANCING IN MARITIME PROVINCES

Past Year Has Been Quiet, Though Some Overdue Issues Came on Market

By W. F. Mahon.

The province of Nova Scotia made an issue of 10-year 6 per cent. bonds, dated April 1st, 1918, being authorized for $1,500,000, of which $1,300,000 was sold, locally, with active competition from Toronto and Montreal, at a net price ranging from 98 to 98½ and interest. This was a particularly good sale.

The province of New Brunswick sold $1,000,000 6 per cent. 10-year bonds earlier in the year at 96 and interest, later followed by what was practically a local issue of $400,000 20-year 6 per cent., sold direct or through dealers at a small brokerage commission on a basis of par and interest.

Municipal Financing in Nova Scotia.

Halifax did its financing in the earlier part of the year by bank borrowing after the explosion and only came into the market late in November. Then a sale was made of $133,500 6 per cent. 34-year bonds at 100.77 and interest, with an option on about $300,000, pending legislation at the coming session of the provincial legislature, at 101.63 and interest. There is a particular point here, as the return of the year and the world-wide events will determine the wisdom of this sale at the present time, at such a high rate and for such a long period of years, though that might be in accordance with the city's legislative restrictions. The leading international houses' bids ranged from 98.25 and interest to 99.69 with options on the balance up to 100.03 and interest, and for the whole as issued 99.098 and interest.

Sydney sold a previous issue of 30-years 5 per cent. bonds, on a 7 per cent. basis. The towns of Antigonish, Truro and Liverpool all disposed of small issues at fairly satisfactory prices. Truro withdrew $35,000 30-year 5 per cent., after they had been offered in September, on account of unsatisfactory bids. They made an issue for the electric light plant of $100,000, $65,000 of which were sold at the time of purchase in 1916. This town had a particularly attractive offer in 1917, for 5 per cent. 30-year bonds, of 93.11 and interest, which they refused. Consequently, they had to seek the market as stated with 6 per cent. bonds. However, this town's issues are held in a particular high regard by investors.

Yarmouth sold locally $80,000 to take up a refunding issue. These were 15-year 6 per cent. bonds, and the sale was to the Bank of Nova Scotia at a satisfactory price.

The county of Cumberland made an issue of five-year 6 per cent. bonds, which, however, did not come on the market, but were disposed of locally. Trenton, adjacent to New Glasgow, disposed of a large portion of their unsold bonds, and being an industrial centre had to command an attractive basis.

The town of Dartmouth, just across the harbor from Halifax, also sold $130,000 6 per cent. 10 and 30-year bonds. Owing to its advantageous situation this town has splendid credit.

New Brunswick Municipals.

Outside of the provincial issues in New Brunswick, the city of St. John made a refunding issue of 10 and 30-year 6 per cent. bonds at par direct to the public, but a larger portion of the long-term bonds found its way to one of the local St. John bond houses, afterwards commanding a substantial premium. There exists a tax exempt clause in the province of New Brunswick, which is very valuable in provincial, city, county and district issues. This has no force in Nova Scotia. Moncton, Woodstock and the county of Northumberland sold issues at satisfactory prices.

The Victory Loan.

The outstanding bond feature has been the success of the Victory Loans. For the December, 1917 and the November, 1918, issues there was subscribed in the province of Nova Scotia about $53,000,000. These issues met with similar success in the province of New Brunswick and in the smaller province of Prince Edward Island. The latter had no local municipal issues, provincial or otherwise, unless they were sold locally, during the past year.

We are closely connected with Newfoundland, both by our maritime position and by trade intercourse, and their government issue of 10-year 6½ per cent., issued in Canada, found a ready market in our midst, with a demand for their local issue of the same tenor and security at a later date.

Everything in the Maritime Provinces is on a sound and satisfactory basis, and while we may have a quieter market in bonds following the advance and change created by the armistice, the undertone is strong and the dealers are confident of the future.

It would be well to point out that there were no corporation issues of consequence during the past year in the province and only one particular issue of preferred stocks—viz., that of the Maritime Telegraph and Telephone 7 per cent. series "B," for $617,000, which is finding a satisfactory sale among local investors.

CANADA'S BORROWING IN ENGLISH MARKET

Prospect Is that Canada Will Again Borrow There—New Relations in Finance

By A. L. Fullerton

War connotes change and nowhere has this been more marked than in the realm of finance. Immediately after the outbreak of hostilities the treasury officials of this country realized that the flow of investment funds into pre-war channels must cease. To finance war activities and lend assistance to allied countries was the paramount consideration. The famous treasury regulations of January, 1915, defining as good delivery only such securities as had been held in actual physical possession in the United Kingdom prior to September 30th, 1914, effectually closed this market to all outside borrowers. At a little later date, owing to an unfavorable rate of exchange due to heavy purchases abroad, the treasury encouraged by every possible means the liquidation of colonial and foreign securities held here as investments and to hasten this process had recourse to various schemes of requisition.

Now that an armistice has been signed and peace seems near at hand the question arises—to what extent will Great Britain furnish capital for future development abroad? Such a question is particularly pertinent to Canada as Great Britain played such an important part in the development of Canada during the ten years prior to the great war. Throughout this country there is a confidence greater than ever in the future of Canada, and investors—private and institutional—are prepared to add largely to their present holdings of high-grade Canadian securities. Federal and provincial government bonds will continue to have a warm welcome here. The obligations of Canadian municipalities will be more rigidly scrutinized in the future than was the case in the past. Certain standards of population and net indebtedness are now seen to be essential and will be demanded. Funds will also be forthcoming for high-grade public utility enterprises and for those industrial concerns that have come through the war with a good record. There is a wonderful interest here in the agricultural wealth of western Canada and funds for its development will surely be supplied during the next few years.

Why Canada Is Appreciated.

In support of the view that the British investor will continue to send money to Canada the following well-known facts may be cited:—

(1) The presence in Great Britain during the war of a very large body of intelligent Canadians has done more to make known the attractions for capital in a new country than many years of propaganda.

(2) The ease with which large blocks of Canadian securities were liquidated throughout the war at relatively good prices created a most favorable impression.

(3) It is generally recognized that Canada was saved from a severe crisis as the result of over-expansion by the wonderful energy put into the manufacture of munitions of war and into the cultivation of the soil during the war period.

(4) Above everything else the wonderful achievement of the Canadian people when thrown upon their own resources in raising two mighty Victory Loans to support the activities of war and to finance the purchases made in Canada by Great Britain. Such a result indicates the inherent strength of the country and is an earnest of better things to come.

Competition in Lending.

It is the general view here that Canada will not in future look to Great Britain to finance such a large proportion of her requirements as was the case prior to the war. During the first two years of the struggle the United States purchased many important Canadian loans and that movement

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Capital paid up $566,220.32. E. B. McDERMID, Managing Director.

is likely to continue whenever the American money market becomes free once more. For reasons which cannot be detailed in this brief summary my firm impression is that this market for some time to come will purchase Canadian securities at prices which will not be acceptable to the American market. It must be pointed out, however, that owing to the present high rate of income tax British investors are forced to look for larger interest returns. This means that funds secured here for Canadian development will in future be more costly—which fact after all may not be an unmixed evil.

For the moment the embargo on fresh emissions of capital continues and it is difficult to say just when the resources of this market will be thrown open to competition. Heavy capital expenditures in connection with the armistice promise to continue well into the summer of next year, making it necessary for the British treasury to keep the present restrictions in force. In some quarters usually well posted it is suggested that general permission to enter into financial transactions will first of all be granted to the colonies to be followed in due course by the removal of all restrictions. That however is merely a detail. At the first opportunity British capital will begin to flow to Canada to assist in the development of the country and its volume will largely be determined by the way in which the Canadian people handle the many serious post war problems which are sure to arise and which are common to all the allies.

SASKATOON'S PUBLIC UTILITIES

Electric, Water and Street Railway Systems Render Satisfactory Service, and Financial Results are Satisfactory

By C. J. Yorath

The city of Saskatoon owns and operates three public utilities, namely, electric light and power; water supply and distribution, and a street railway.

The rates charged for electricity are:—

Domestic light: 1st 100 k.w.h., 8 cents per k.w.h.; next 50 k.w.h., 7 cents per k.w.h.; balance at 6 cents per k.w.h. Domestic power: 2.25 cents per k.w.h.

Commercial light: 1st 100 k.w.h., 8 cents per k.w.h.; next 50 k.w.h., 7 cents per k.w.h.; balance at 6 cents per k.w.h. Commercial power: 1st 750 k.w.h., 5.4 cents per k.w.h.; next 2,250 k.w.h., 3.25 cents per k.w.h.; next 1,000 k.w.h., 2.34 cents per k.w.h.; balance at 2 cents per k.w.h.

The rates charged for water are: 1st 2,000 cubic feet, 25 cents per 100 per quarter; 2,000-12,000 cubic feet, 20 cents per 100 per quarter; 12,000-75,000 cubic feet, 15 cents per 100 per quarter; all over 75,000 cubic feet, 10 cents per 100 per quarter.

In 1915 the council adopted the straight five-cent fare on the street railway and cancelled all passes to employees, etc.

Capital Expenditure.

The capital expenditure incurred in respect to these utilities is as follows:—

	Gross debenture debt.	Net debenture debt.
Electric light and power	$1,477,712.10	
Sinking fund	155,984.27	
		$1,321,727.83
Water supply and distribution	$ 823,157.05	
Sinking fund	86,369.01	
		$ 736,788.04
Street railway	$ 793,035.90	
Sinking fund	55,417.58	
		$ 737,618.32
Total		$2,796,134.19

All Have Made Surplus.

Since 1913 the three utilities have shown a surplus of revenue over expenditure, including all fixed charges, such as interest, sinking fund and depreciation.

From the accompanying statement it will be seen that a large deficit of $33,477.56 in 1914 in connection with the street railway was converted into a surplus of $1,165.67 in 1916. Last year on account of increase in wages and cost of material and a damage claim amounting to $5,000, a small deficit of $4,848.45 was incurred.

Satisfied With Present Systems.

The rates for both electric light and water have been reduced since 1912, so that the above surpluses have not been made by increasing the revenue, but are the result of a general reduction in expenditure and more economical operation.

All accounts are promptly collected and the utilities are administered on strictly business principles.

The citizens appreciate and are well satisfied with the service given, from which it would appear that municipal ownership of those utilities which are necessary in the interests of the citizens as a whole, is justified and proves a success if operated upon the above lines.

Electric Light and Power.

	1912.	1913.	1914.	1915.	1916.	1917.
Revenue	$223,405.69	$347,201.76	$340,628.08	$275,130.11	$297,318.19	$324,761.99
Expenditure	229,652.29	316,646.59	302,029.14	267,110.70	264,254.38	300,539.56
Surplus or deficit	$ 6,246.60 Deficit	$ 30,555.17 Surplus	$ 38,598.94 Surplus	$ 8,019.41 Surplus	$ 33,063.81 Surplus	$ 24,222.43 Surplus

Waterworks.

Revenue	$ 82,400.57	$124,623.01	$108,001.26	$ 87,517.59	$ 88,291.16	$115,485.54
Expenditure	106,202.58	120,509.31	91,861.66	78,266.76	86,206.33	114,818.35
Surplus or deficit	$ 23,802.01 Deficit	$ 4,113.70 Surplus	$ 16,139.60 Surplus	$ 9,250.83 Surplus	$ 2,084.83 Surplus	$ 667.19 Surplus

Street Railway.

Revenue		$158,487.33	$153,972.66	$134,165.46	$180,541.60	$197,363.42
Expenditure		178,152.16	187,450.22	165,139.38	179,375.93	202,211.87
Surplus or deficit		$ 19,664.83 Deficit	$ 33,477.56 Deficit	$ 30,973.92 Deficit	$ 1,165.67 Surplus	$ 4,848.45 Deficit

PRINCE EDWARD ISLAND AERIAL ROUTE

At a meeting of business men of Charlottetown on December 17th, it was resolved that a company be projected to be known as the Prince Edward Island Aerial Transportation Company, capitalized at $25,000. A committee of five was appointed to solicit subscriptions and organize if the necessary financial support was forthcoming.

The initial route proposed was Moncton, Summerside, Charlottetown, Georgetown, Pictou, New Glasgow, and Halifax, with a double daily service summer and winter. Mails and express are to be handled first, and later passengers. The proposal was submitted to the meeting by Major Kennedy, of the Royal Air Service, expert of the Aircraft Company, with headquarters in London.

The strike in J. R. Booth's paper mills at Ottawa, affecting 800 men, was settled on December 14th, when the union accepted the compromise wage schedule offered by Mr. Booth. The mills, which had been closed for three weeks, were reopened on December 16th.

ALBERTA: The Golden Province

Golden Returns from Alberta's Productive Wheat Fields

"Time and again the production statistics of the Dominion of Canada and other reliable agricultural authorities have placed the yield rate of Alberta acreage above that of other provinces of Canada, and, indeed, also of the States of the Union. Accordingly the Province of Alberta is potentially the greatest grain country of the continent."—Hon. C. R. Mitchell, Budget Speech, 1918.

Superb Arable Acreage Available

ALBERTA has an area of 255,285 square miles, 2,500 square miles of which is water surface and 26,000 square miles of which is Dominion Forest Reserve. The whole Province is more than twice as large in area as Great Britain and Ireland, with a climate splendidly adapted to Agriculture and Stock Raising. Not ten per cent. of Alberta's arable land areas is as yet under cultivation. There are more than ninety million acres of good land still to come under the plough. Population of the Province is some 540,000, though immigration to the farming districts has been increasing rapidly of late owing to the magnificent returns offered.

Alberta a Leader in other Grains

It is known that the high yielding powers of Alberta soil are not confined to wheat raising alone. The yield of oats in Alberta takes a first place with an average last year of 34 bushels per acre, and an average over ten years of 37.45 bushels per acre, which is greater than that of any State in the Union. The acreage in oats is nearly as great as that sown to wheat. In 1917 it was 2,537,883 acres with a yield of 84,384,610 worth in the market $50,630,776. Barley was produced in 1917 to the value of $10,504,492 at $1.00 per bushel. Flax totalled $2,883,930 in value; rye $1,181,274, and other grain crops $884,052. The value of last year's hay crop was $4,925,220, the yield a ton (or $10) per acre. Department of Agriculture advices also indicate large profits from mixed farming in Alberta. Root crops gave heavy yields also. Potatoes yielded on an average 150 bushels per acre, with a total production value of $4,402,530. Turnips and carrots averaged 200 bushels an acre, with production value of $574,600 and $519,900 respectively.

Alberta's Financial Strength

ASSETS

Debt Allowance	$ 8,107,500.00
School Land Fund	3,965,267.39
Loan to Alberta Farmers' Co-op. Elevator Co.	894,176.14
Advance to Central Canada R.R.	2,000,000.00
Seed Grain and Creamery Loans	49,681.07
Advances to School Districts	28,122.58
Telephone Plant Stock, Tools, etc.	9,336,583.18
Cash in Bank	764,942.60
Deferred and Overdue Payments on School Lands	7,087,908.01
Chief Revenue producing Assets	$ 32,234,180.97
Public Buildings, Bridges, Roads, etc.	13,044,981.99
Deferred Assets	84,302,520.00
Lacombe and Blindman Valley Loans, Rails, etc.	143,862.13
Public Buildings and Equipment, Ferries, Demonstration Farms, School Libraries, etc.	458,269.92
Surveys, Drainage, Inspection, Public Works	893,575.43
Advances, Taxes, University Loan and other Assets	36,342.73
	$131,113,733.17

LIABILITIES

Total Bonded Debt	$ 30,595,200.00
Less Sinking Fund	550,027.88
Net Debt at Dec. 31, 1917 (Including $14,500,000 self-sustaining Investments.)	$ 30,045,172.12
Contingent Liability on Railway Guarantees (other than those under Dominion Government control)	$ 19,093,700.00

Alberta's Coal and Gas Fields

Chief among Alberta's newer industries is coal mining This is one of the industries which will fast make Alberta famous throughout the Dominion. During the past winter when the manufacturers and the people in Eastern Canada faced a coal famine, Alberta, blessed with tremendous coal deposits and in some sections of the Province with natural gas in unlimited supplies, was not affected to any extent by a shortage of either coal or gas. Saskatchewan in the past has received large amounts of fuel from the Alberta mines, and this year the sunny Province is being called upon to extend its field of distribution to embrace Manitoba; the American operators diverting their fuel to Ontario and the East. Coal and coke production last year amounted to 4,988,862 tons with a value of $16,254,826.

Cattle a Valuable Product

The development of the grain-growing industry of the Province has not occurred at a sacrifice of mixed farming and stock raising. On the contrary, we find that cattle and sheep raising has gone on steadily side by side with the increase in grain production.

Cattle and their by-products rank second in point of production, following wheat and ahead of oats and industrial output values. In this respect fully one-third of the revenue from cattle and other animals is realized in dairy products. In 1917 these were valued at $25,000,000, while animals slaughtered and sold amounted in value to $45,000,000. Poultry and products marketed were valued last year at $3,500,000.

Wool Growing Developing Steadily

The Province of Alberta is becoming a leader in wool production. This industry a few years ago was only in its infancy. The total value of wool produced in 1914 amounted to $236,321, or scarcely a quarter of a million dollars. Last year the production was valued at $1,189,380. Of course, high prices affect this. The price realized in 1914 was 16 cents, while last year wool growers received 57 cents a pound for their clip. But production has greatly increased. In 1914 the clip was approximately 1,500,000 pounds. A year ago the clip totalled 2,080,600 pounds.

Investors, Settlers, Manufacturers, Merchants and all Interested in Conditions and Prospects in Alberta may Write for Full Information to the Government Offices, Edmonton, Alberta

Canada and the United States

Growth of Financial Relations Between the Two Countries—America's Contribution to Canadian Industrial Development—Investment Relations—Effect of the War Upon Trade Relations.

By R. S. RIFE

CANADA, our largest neighbor on the American continent, and our second greatest customer, has always been an important factor in the commercial and industrial considerations of the United States, even at a time when the main attention of American business men was given to the building up of their own domestic market, coincident with the development of the country's resources. Now, however, when the United States is reaching the point where its business men must take increasing interest in foreign markets, and when, under the pressure of the momentous events of the last four years, we have been forced to take our place in international relations, it is timely to give some consideration of the present commercial and financial relations between Canada and the United States.

Canada's Economic Development.

The economic development of Canada in the period preceding the war was along the lines that would be expected from a new country with abundant natural resources and a relatively sparse population. Notwithstanding a general lack of thorough knowledge in this and other countries about Canadian geographic and climatic conditions, there had been a material increase in the population of the country through immigration. The development of natural resources, agricultural production and production of minerals has been remarkable. New industrial undertakings have been promoted and the spirit of enterprise stimulated. For some years prior to the outbreak of the war Canada gave unmistakable signs of approaching an era of great promise.

During the fifteen years ending March 31st, 1914, the volume of business, as measured by the following business index, practically increased threefold. This growth becomes more significant when it is noted that in the fifteen years immediately following the Civil War the volume of business of the United States doubled. When the business index is corrected for growth of population a twofold increase is noted which is indicative of the development of the natural resources of the country.

	Index of Volume of Business*	Corrected for Growth of Population
1900	100	100
1901	115	113
1902	130	125
1903	147	138
1904	147	135
1905	166	148
1906	188	166
1907	180	150
1908	208	170
1909	204	163
1910	217	167
1911	260	193
1912	287	208
1913	310	220
1914	288.5	198

During this period Canada was experiencing an important industrial development as indicated by the fact that the number of industrial establishments grew from about 15,000 in 1900 to 21,000 in 1914. One of the most striking advances was the development of the wood-pulp industry, which has made Canada one of the important sources for paper supply.

The great change that has been wrought in Canada's economic life since the outbreak of the war has been the great increase in her industrial capacity, as evidenced by her ability to furnish material amounts of munition supplies to Great Britain as well as to the United States. While such an important industrial growth was due to the necessities of the war, it has undoubtedly laid a basis upon which a relatively important industrial structure may be erected for peace conditions. This will be commensurate no doubt with the needs of the expanding home market in Canada, resulting from the further development of her frontier sections and the exploitation of natural resources which were so progressively under way at the outbreak of the European war.

*In the construction of this index there has been taken into account tons of freight carried by railroads, tons of shipping cleared from ports, production of copper, coal, wheat, oats, the value of annual product of fisheries and lumber industries, bank loans, imports and exports of merchandise (corrected for changes in general prices) and annual immigration.

United States Contribution Towards Canada's Economic Development.

What has been the part hitherto played by the United States in Canada's development, and what is it likely to be in the future? In spite of the fact that the United States in the past has been chiefly preoccupied with its own internal development, she has contributed a fair share toward Canada's economic expansion. While Great Britain has been largely responsible for the extension of the Canadian railroad system, the United States played the greatest part in Canada's industrial development. It was United States capital that developed the water power and industries around Sault Ste. Marie. The coal industry of Nova Scotia and the great steel works of Sydney have been built through American enterprise. American promoters have obtained franchises to develop the Canadian side of the Niagara Falls. It was American effort that accomplished the greater part of the development of the Klondike. Half of the great mining industry of British Columbia may be said to belong to United States capital. Two of Canada's leading industries—timber and lumber—are considered to be pre-eminently the development of United States capital. A considerable number of agricultural plants and warehouses have been established by American capital throughout the agricultural areas of Canada.

Mr. H. P. Willis, formerly secretary of the Federal Reserve Board, is authority for the statement that the total American investments in Canada prior to the war amounted to more than $600,000,000. The war greatly stimulated American investments in Canada which, according to the best estimates, have nearly doubled during the last four years, reaching the prodigious sum of $1,272,850,000, and distributed as follows:—

500 branch firms (average investment $300,000)	$150,000,000
Government, municipal and corporation bonds (1905-13)	123,743,000
Government, municipal and corporation bonds (1913-17)	590,506,000
Insurance company investments	94,276,000
British Columbia mills and timber	75,000,000
British Columbia mines	62,000,000
British Columbia land transactions	60,000,000
Prairie provinces land transactions	41,000,000
City and town properties	20,000,000
Maritime provinces investments	13,125,000
Industrial investments, miscellaneous	12,200,000
Prairie provinces lumber and mines	10,500,000
Agricultural implement firms	9,250,000
Packing plants	6,750,000
Theatrical enterprises	3,500,000
Fox farms (Prince Edward Island)	1,000,000
	$1,272,850,000

There are five hundred branch firms of American industries located in Canada. These branches are usually well provided with working capital and will undoubtedly continue to contribute much to the development and strengthening of industry in Canada.

One of the most effective ways in which the United States has contributed to the economic development of Canada has been through the movement of agricultural settlers to western and northwestern Canada who have been very influential in the development of the great wheat growing section of the Dominion. During the fifteen years before the

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YEARLY GROWTH

ASSETS,	1913	$ 339,000
"	1914	566,000
"	1915	776,000
"	1916	1,076,000
"	1917	1,408,000
"	1918	Over 1,600,000

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war the total number of persons entering Canada from the United States was 1,014,000, while the number of people entering the United States from Canada was 431,000, indicating a net gain to Canada of 583,000 immigrants. Besides being an economic asset to the country as producers of wealth, these immigrants brought with them a considerable amount of wealth, amounting to $192* per immigrant, or a total of $195,000,000 for this fifteen-year period.

Canada's Investments in the United States.

United States investment in Canada brought as a natural consequence some Canadian investment in the United States. But this never grew to any great proportions, as Canadian capital was lured away from foreign fields by the attractive opportunities naturally offered by a country so young and undeveloped. For the most part, Canadians showed interest in private corporation holdings, as, for instance, United States Steel Corporation stock, of which the total Canadian holdings in 1914 were $7,892,000. It seems hardly likely that there has been any marked accumulation of American securities in Canada of late, for the need of conserving capital in that country has compelled the Minister of Finance to discourage foreign investment.

Influence of the War Upon Investment Relations.

The war has produced an important change in the trade between the United States and Canada, and between Canada and Great Britain. It is the popular conception that on account of the increase in the value of the trade between the United States and Canada that the balance of trade between Canada and the United States has been against Canada, as indicated by the following table in which the figures are grouped by four-year periods:—

Year ended March 31	Balance of trade favorable to U.S. Merchandise	Balance of trade favorable to U.S.*
1907-1910	$ 398,000,000	$394,000,000
1911-1914	927,000,000	926,000,000
1915-1918	1,050,000,000	904,000,000

*After making allowance for shipments of gold.

It appears from the above that the balance of trade between Canada and the United States in the four-year period covered by the war is practically the same as in the four-year period preceding the war. If international relations had remained the same, this trade balance would probably not have occasioned any greater financial relations between the two countries than in the four-year period before the outbreak of the European war. The major portion of Canada's borrowings from other countries before the war were from Great Britain, while during the war period and up to the declaration of war by the United States the major portion of her borrowings were from the United States market. These facts are indicated by the following table:—

Record of Canadian Borrowings since 1911 until the War Restrictions Came into Effect.

	Canada's total borrowing	% of Canada's borrowing in United States	% of Canada's borrowing in Great Britain
1911	$266,812,988	6.5	76.56
1912	272,937,982	11.3	74.8
1913	373,795,275	13.5	74.2
1914	272,935,067	19.77	68.1
1915	341,892,871	72.11	14.1
1916	316,917,362	64.89	1.5
1917	772,741,848	24.06	.63

This change in the source from which Canada borrowed capital was occasioned by international conditions accompanying the outbreak of the war. Great Britain found it necessary to restrict the use of her capital to essential war purposes as nearly as possible, and in addition was borrowing in other markets. Great Britain had an increasing demand for Canadian products at the new level of prices and with the expansion of Canadian industry she was able to buy more supplies in Canada, which resulted in a material increase in the balance of merchandise shipments between the two countries which is indicated as follows:—

Years ended March 31	Balance in favor of Canada
1907-1910	$ 166,000,000
1911-1914	167,000,000
1915-1918	1,870,000,000

During the war period Great Britain was not loaning Canada the usual quantity of capital, and in addition was buying such enormous quantities of goods from Canada that Canada became her creditor. This placed an additional burden on the credit structure of the banking system of Canada and naturally increased the necessity for her to obtain funds from some other country, and in view of the fact that the United States was the only important market with available funds, she borrowed largely from the United States. The predominating factors in the increased financial relations between the two countries were not a material change in the balance of trade between them, but an increase in the favorable balance of trade of Canada with Great Britain, and the interruption of the current of international trade through which the balance between Canada and the United States had been settled in normal times.

After the declaration of war by the United States, and the Government's entrance upon a policy to conserve capital for war purposes, it was not so easy for other countries to borrow in our open market. This naturally had its bearing on the financial situation in Canada and it seemed as if the United States market was practically closed to Canadian offerings. It appears, however, that the United States Government had placed contracts amounting to $125,000,000 with Canadian munition concerns, and that Great Britain has utilized $400,000,000 of the credit advanced by the United States Government to Great Britain since April, 1917, for the payment of goods that Great Britain has purchased from Canada.

It will be seen that these sums have practically approximated the annual borrowings of Canada from other countries, except for the abnormal year 1917.

Factors that Will Increase Financial Relations.

As has been indicated above, the increase in financial relations between Canada and the United States has been an outgrowth of conditions concomitant with the war, and the question may be raised whether in the future there will be a tendency for these financial relations to remain at all permanent. In this connection there are certain reasons which would indicate that after the declaration of peace the financial relations between the two countries should become more important than they were before the outbreak of the present war.

As has been pointed out above, one of the important factors in the relations between Canada and the United States has been the movement of peoples between the two countries. Such movements always tend to bring nations closer together in trade and financial relationship. One of the important economic results of the present world war will probably be an increase in the movement of peoples between countries, and it is not unlikely that the great Canadian northwest will be further developed by the sturdy men of our great middle west who have had their spirit of adventure quickened and naturally the opportunities of this region will make an appeal to them.

In 1914 the combination of economic forces of the world was preparing for the development of new areas. With the world war quickening the spirit of adventure in man and tending to break down the barriers that had tended to prevent the free movement of peoples between countries, and with the pressure to increase the world's supply of foodstuffs and raw materials, it is probable that in the long term swing, after the declaration of peace, that the undeveloped areas of the world will experience a development the magnitude of which we are not able to-day to gauge. Canada, with her abundance of raw materials, her large forest wealth, her large areas of agricultural land awaiting development, will undoubtedly attract men and capital.

The last quarter of a century has seen a gradual change in the economic life of the United States. Previously we had been in the position of a new country with a frontier constantly being developed and expanded, which was absorbing people and capital of various countries of the world. We have largely developed this frontier area and have built up an industrial capacity to such an extent that before the outbreak of the war we were reaching the point where as a nation there would be surplus funds available for investment. During the European war the industrial capacity of the country has been materially increased and the United States as a country is in a position to be a lender of capital to other countries. Because we know Canada better than perhaps any other country and because of the Dominion's great opportunities our country ought to play a more important part in the development of the natural resources of Canada which will be mutually beneficial to the industry and enterprise of both countries.

---

*On basis of returns first ten months 1917.

It is estimated that the cash returns for fruit alone will bring to the growers of the Vernon, B.C., district the sum of $1,250,000 this year, an increase of about $250,000 more than last year's business.

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BOND REVIEW AND OUTLOOK

Prices for Past Twenty Years—Market Conditions in 1918

By C. H. Burgess.

When the year 1918 opened, practically no business was being done by the bond dealers of Canada on account of the fact that they were faced with a very serious condition in the market in connection with the Victory Loan. The country had on its hands something over $150,000,000 of bonds, which was a tremendous amount for the population of Canada, and in view of the further financing that was necessary to be done by this Government, it was thought advisable to arrange some means for distributing the bonds that anyone wished to sell. This was arranged by most of the bond dealers and stock brokers agreeing to encourage the purchase of Victory Bonds prior to anything else. Restrictions were placed by the Finance Department upon the offering of other securities in the market, which had a good effect.

The effect of this co-operation was such that it placed Canada's first Victory Loan in a position paralleled by the loans of none of the other belligerent countries, in that a market was available for anyone who wished to sell at a price that was never more than the mere fraction of a point below the issue price. This was in the first place, of course, due to the Minister of Finance, who had paid a fair price for the money he borrowed and had not left it to be taken entirely on the basis of patriotism. However, at the beginning of the year conditions were very upset on account of the uncertainty as to how much of the Victory Loan bonds would be placed on the market, with the result that offerings of provincial government bonds were quoted at very low figures. This improved through the year as the issues were absorbed and the demand for Victory Loan increased until they went to a premium over their issue price. At the beginning of the year, Province of Ontario bonds were sold to yield 6 per cent.; Provinces of Saskatchewan, Manitoba and British Columbia about 6½ per cent. to 6¾ per cent.; Ontario large cities and counties about 6¼ per cent. to 6 per cent.; large towns and small cities 6⅝ per cent. to 6½ per cent.; villages and small towns about 6¾ per cent. to 7 per cent. in Ontario. In the Western Provinces, the school district bonds were about 7½ per cent. and the cities to yield about 7⅛ per cent. to 7 per cent.

Clear Market for War Loan.

There were very few offerings of western municipal bonds during the year, although towards the end of the year Calgary issued a block of bonds of $2,300,000—running for 10 years and bearing 7 per cent.—which were placed on the market at par. By the late fall about $50,000,000 to $60,000,000 of the Victory Loan bonds had been redistributed and the market was in excellent shape for the reception of the second Victory Loan. These were issued on a 5½ per cent. basis and had two maturities—5 and 15 years. They were free from federal income tax. An organization was set up on similar lines to the previous loan and the reception was very marked, the total sales for the Dominion being over $676,000,000, which is the greatest achievement per capita for any country in the world.

During the whole year the Finance Department had made restrictions upon the issue of securities. They could not be issued without the consent of the Minister of Finance, so that after the loan was over the market was in very good shape, there being a scarcity of bonds. At the time of writing it is impossible to give an approximate value of the bonds for the close of the year but, prior to the issuing of the loan, bonds were selling as follows:—

1918

Province of Ontario 6's, par to 100½.
Western Provinces bonds, to yield about 6¼ per cent. to 6.20 per cent.
Ontario large cities, to yield 6 per cent. (Toronto, Hamilton, London, etc.).
Ontario large towns and small cities, to yield 6¼ per cent. to 6⅛ per cent.
Ontario counties, to yield 6 per cent.
Ontario small towns and townships, to yield 6½ per cent. to 6¼ per cent.
Large cities in the west, to yield 6¾ per cent.
Large towns in the west, to yield 7 per cent.
School districts in the west, to yield 7 per cent.

Prices During Two Decades.

The following is a record of approximate prices of Canadian securities for a series of years:—

1896-1897

Turing point from depression in Canada following collapse of real estate boom and succession of crop failures.
Provincial Governments (Ontario, Quebec and Nova Scotia), 3⅛ per cent. to 3¼ per cent.
Large cities and Ontario counties (Toronto, Montreal, London, etc.), 3¼ per cent. to 3⅜ per cent.
Large Ontario towns and townships, 3½ per cent. to 3⅝ per cent.
Village bonds, 3¾ per cent. to 4 per cent.

1899-1900

Provincial Governments, 3½ per cent. to 3⅝ per cent.
Large cities and counties, 3¾ per cent. to 3⅞ per cent.
Large towns and townships, 4 per cent. to 4⅛ per cent.
Village bonds, 4⅛ per cent. to 4¼ per cent.

1901-1904

1902.—Great industrial and stock speculation.
1903.—Reaction from speculation of year before.
Provincial Governments, about 3¾ per cent.
Large cities and counties, 3⅞ per cent. to 4 per cent.
Large towns and townships, 4⅛ per cent. to 4¼ per cent.
Village bonds, 4⅜ per cent. to 4½ per cent.

1905-1906

1907.—Panic year.
Provincial Governments, about 3½ per cent. to 3⅝ per cent.
Large cities and counties, 3⅞ per cent. to 4 per cent.
Large towns and townships, 4 per cent. to 4⅛ per cent.
Village bonds, 4¼ per cent. to 4⅜ per cent.

1907-1908

1908.—Recovery year.
Provincial Governments, 4 per cent. to 4¼ per cent.
Large cities and counties, 4½ per cent. to 4¾ per cent.
Large towns and townships, 4¾ per cent. to 5¼ per cent.
Village bonds, 5½ per cent. to 5¼ per cent.

1909

Great prosperity and real estate boom in Canada commences.
Provincial Governments, about 3⅞ per cent.
Large cities and counties, 4 per cent. to 4¼ per cent.
Large towns and townships, 4¼ per cent. to 4⅜ per cent.
Village bonds, 4½ per cent. to 4⅝ per cent.

1910

Provincial Governments, about 3.90 per cent.
Large cities and counties, 4 per cent., 4¼ per cent. to 4⅜ per cent.
Large towns and townships, 4½ per cent. to 4⅝ per cent.
Village bonds, 4⅞ per cent. to 4¾ per cent.

1911

Provincial Governments, 4 per cent. to 3.90 per cent.
Large cities and counties, 4⅛ per cent., 4¼ per cent. to 4⅜ per cent.
Large towns and townships, 4½ per cent., 4⅝ per cent. to 4¾ per cent.
Village bonds, 4¾ per cent. to 4⅞ per cent.

At the end of the year prices for Ontario bonds were about as follows:—
Provincial Governments, 4 per cent. to 3.90 per cent.
Large cities and counties, 4⅛ per cent., 4⅜ per cent. to 4½ per cent.
Large towns and townships, 4½ per cent., 4¾ per cent. to 4⅞ per cent.
Village bonds, 4⅞ per cent. to 5 per cent.

1912

Real estate boom commenced to fail.
Provincial Governments, 4¼ per cent. to 4 per cent.

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Municipal and School Bonds to yield 6½ to 7 per cent.
Special Attention given to Western Canadian Issues.

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EDMONTON ALBERTA

Large cities and counties, 5 per cent. to 4½ per cent. Counties selling at about 5 per cent. City of Toronto 4½ per cent. to 4⅜ per cent.

Large towns and townships, 5¼ per cent. to 5 per cent.

Village bonds, 5½ per cent. to 5⅜ per cent.

1913

Real estate boom collapsed. Hard times.

Provincial Government debentures sold as low as a rate to yield 4.40 per cent.

Large cities and counties at 5¾ per cent. to 5 per cent. (Counties selling at about 5½ per cent., city of Toronto at about 5¼ per cent. to 5 per cent.).

Large towns and townships from 6½ per cent. to 6 per cent.

Village bonds from 6¾ per cent. to 6½ per cent.

1914

August 1st.—The commencement of the great war. German rush for Paris.

About March to May, 1914, the prices for debentures ranged as follows:—

Provincial Government debentures, 4⅜ per cent. to 4¼ per cent.

City of Toronto, 4¾ per cent. to 4⅝ per cent.

Ontario counties, 4⅞ per cent. to 4¾ per cent.

Large Ontario towns and townships, 5¼ per cent. to 5 per cent.

Ontario village bonds, 5½ per cent. to 5⅜ per cent.

Western city bonds, such as Calgary, Edmonton and Regina, 5⅜ per cent. to 5¼ per cent.

Smaller western towns sold from 6 per cent. to 5¾ per cent., and smaller places still from 6¼ per cent. to 6 per cent.

School districts and western villages from 7¼ per cent. to 7 per cent.

1915

Great war and deadlock on west front. German advance against Russia.

From March to about May prices reached their highest level or lowest yield rate. At this time, Ontario provincial bonds were selling to yield about 4.80 per cent.

City of Toronto, 4.95 per cent.

Ontario counties, 5 per cent.

Moderate Ontario cities, 5¼ per cent. to 5⅛ per cent.

Large Ontario towns and townships, 5⅜ per cent. to 5¼ per cent.

Ontario village bonds, 5⅝ per cent. to 5½ per cent.

Western city bonds (Calgary, Edmonton, Regina, etc.), about 6 per cent.

Smaller western towns, 6¼ per cent. to 7 per cent.

School districts and western villages, 7¼ per cent. to 7 per cent.

However, it was not long until these prices were materially changed, so that in the fall of the year the prices were about as follows:—

Provincial Government bonds (such as Ontario), 5¼ per cent. to 5⅛ per cent.

City of Toronto, 5⅜ per cent.

Small Ontario cities, 5⅝ per cent.

Good Ontario towns, 5¾ per cent.

Western cities (such as Saskatoon, Calgary, Edmonton), 6¼ per cent.

School districts, 7½ per cent.

Villages, 8 per cent.

1916

Supply of municipals limited; demand from a new market, the United States, large. After marketing of war loan in the fall, prices stiffened.

Dominion Government bonds yielding 5¼ per cent. to 5⅛ per cent.

Province of Ontario bonds yielding 4.80 per cent.

British Columbia and Alberta bonds yielding 5½ per cent. to 5.30 per cent.

City of Toronto and Montreal bonds yielding 4.90 per cent. to 4.85 per cent.

Saskatchewan, Manitoba and medium-sized Ontario cities bonds yielding 5.20 per cent. to 5.10 per cent.

Ontario towns and townships bonds yielding 5⅜ per cent. to 5¼ per cent.

Ontario village bonds yielding 5⅝ per cent. to 5½ per cent.

Western city bonds (Calgary, Edmonton, Regina, etc.), yielding about 5¾ per cent.

Western school districts bonds yielding about 6½ per cent.

1917

United States entered the war in spring of 1917, so that Canadian borrowing in that field practically ceased. Similarly no help could be derived from the United Kingdom. Canada had, therefore, to be financed at home, and a domestic war loan of over $400,000,000 was successfully floated in November.

Dominion, 5½ per cent. to 5⅝ per cent.

Province of Ontario, 5.90 per cent.

Large cities and counties, 6 per cent.

Medium sized cities and towns in Ontario, 6¼ per cent. to 6⅛ per cent.

Saskatchewan, Alberta and British Columbia provinces, 6½ per cent. to 6¼ per cent.

OTTAWA, THE CAPITAL OF CANADA

Being Seat of National Government, Public Works and Finances are in a Peculiar Position

BY H. L. CORBETT.

Apart from the construction of the Rideau Canal (this was likely the beginning of the city), lumber and legislation have been the predominant factors in the building of Ottawa. It was about 1806 when the first raft of timber was taken down the Ottawa to Quebec. There is also a great deal of timber brought down the Gatineau River, which enters the Ottawa opposite Rockcliffe Park. Hull was a village before anyone thought of settling in Ottawa. Up to 1818 a cedar swamp covered the site of Ottawa. In 1826 the Imperial government, under the superintendence of Coloned By, began the construction of the Rideau Canal. The village of Bytown was called after him. The village of Bytown (now the city of Ottawa) was incorporated in 1827. It became the town of Bytown in 1847. The city of Ottawa was incorporated December 18th, 1854, and by Royal assent selected as the capital of the Dominion of Canada in 1857. As the Queen's choice, it was ratified by the Canadian parliament in 1858. Previous to 1841 each province had possessed a legislature of its own. In this year the whole of Canada was placed under a single parliament. This led to much rivalry between the two former sections, the consequence being that the seat of government became migratory: Kingston, Montreal, Toronto and Quebec having it in turn. If Ottawa has had any advantage as the seat of government, it is fair to assume that it began in 1858. In the year 1828 there was about 1,000 population; when it was selected as the capital there was a population of about 8,000 people. It has taken 60 years for this to increase to 100,000. Ottawa's growth has been slow, but sure.

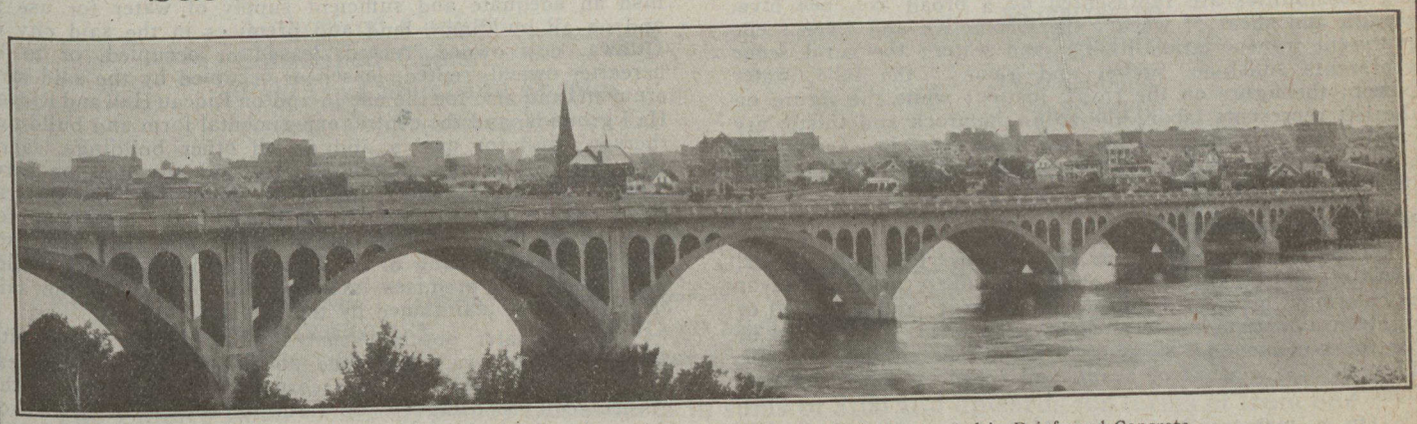
Government Is Chief Occupation.

There is great natural water power around Ottawa, some of it never utilized. This was one of the chief reasons for so many lumber industries settling here some years ago. In the way of education, besides the schools, colleges and public library, the government has established here such properties as the National Victoria Museum, National Art Gallery, Royal Mint, Royal Observatory, Parliamentary Library, Drill Hall and Armories and Canadian experimental farm. Ottawa has many fine public buildings besides those mentioned above. Club life is well maintained in representative, social and other organizations.

Besides the advantages from government occupation, there are many buildings rented for government offices, and this in the face of large structures now being erected for this purpose. The majority of Ottawa's working population are office workers, and nearly all businesses cater to their needs. Without the benefits derived from government employment, Ottawa, having no large factories or commercial industries, would very likely have much less population. While Ottawa's favorable situation may have been a great factor in inducing people to live here, I think Hull fairly well answers the question of what it might have been, had it not been chosen as the seat of government. Whether from dearness of land,

SASKATOON

Saskatchewan's University and Distributing City



UNIVERSITY BRIDGE (Photograph taken from University Campus) Constructed in Reinforced Concrete.

Saskatoon is Saskatchewan's Premier City for Education and as a Distributing Centre.

FINANCES OF CITY ON SOUND BASIS

Total Debt, including Local Improvement Debentures		$8,549,876.09
Less Water Works Debentures	$ 823,157.05	
" Electric Light Debentures	1,477,712.10	
" Street Railway Debentures	793,035.90	
" Local Improvement Debentures	1,869,474.37	
		4,963,379.42
Net General Debt		$3,586,496.67
Less Sinking Fund in respect to Net General Debt	505,029.91	
Debentures Redeemed	6,173.93	
		511,203.84
Net Debenture Debt		$3,075,292.83

No Treasury Bill or Short Term Debentures Outstanding

SINKING FUND INVESTMENTS

City of Saskatoon Debentures and Stock	$ 361,062.31	28.52%
Dominion of Canada War Loan	430,000,00	33.96%
United Kingdom of Great Britain and Ireland Gold Bonds	400,000.00	31.59%
Province of Saskatchewan Bonds	75,000.00	5.93%
	$1,266,062.31	100.00%
Cash in Bank	61,069.11	
	$1,327,131.42	

PUBLIC UTILITIES Show Surplus Revenue over Expenditure

(Year ending 31st December, 1917)

	Electric Light & Power	Street Railway	Waterworks
Operating Expenses	$199,778.84	$147,591.06	$ 73,166.54
Fixed Charges including Interest Sinking Fund and Depreciation	100,760.72	54,620.81	41,651.81
	300,539.56	202,211.87	114,818.35
Revenue	324,761.99	197,363.42	115,485.54
Profit	$ 24,222.43	Loss - $ 4,848.45	$ 667.19

BANK LOAN ON CURRENT ACCOUNT at 31st October, 1918 - $316,000.00

OUTSTANDING FLOATING CAPITAL LIABILITIES, at 31st October, 1918 - $78,404.38

ARREARS OF TAXES at 31st October, 1918 - $509,219.39

	Population	Assessment	Tax Rate
1907	3,011	$6,621,337.00	20.00 mills
1918	25,000	$30,018,838.00	30.25 " (Including 2.00 mills Patriotic Tax)

C. J. YORATH, City Commissioner, Saskatoon.

scarcity of labor, or the importance which attaches to a government town, factories or manufacturers seem not to be attracted to the capital. Ottawa has not the shipping facilities that seaport or Great Lake towns have. The railways entering the city have done away with a lot of the canal and river transportation. The old stage lines have entirely disappeared.

Ottawa's coat of arms was designed by an old resident, now deceased. Ottawa's great lumbering industry and farming possibilities are represented by a broad axe, bee hive, plough and sheaf of wheat; the locomotive and river scene represent transportation by rail and water; the rural scene represents sunshine, timber and game; the falls, water power; the figure on the right, justice; while the figure on the left represents labor; the rose, shamrock and thistle are emblematic of British connection. The crest has served the city since 1844. Holders of Ottawa debentures, will find this impression on the seal.

Municipal Covernment.

The city of Ottawa is at present governed by a mayor, board of control, consisting of four members and the Mayor as chairman, all elected by the city at large, and a council of eighteen aldermen, two elected by each ward. The board of control recommends to council all heads of departments. There is also a board of health and board of police commissioners.

On a memorandum dated May 29th, 1885, from the Minister of Public Works, submitting that on December 21st, 1883, an order-in-council was passed authorizing that, with a view to the settlement of matters between the government and the city of Ottawa, the government should assume: (1) The cost of maintenance of the Dufferin and Sappers' bridges and the bridges over the slides; (2) the cost of maintenance of Wellington Street, between Dufferin Bridge and Bank Street; and (3) the making free to the public use of the suspension bridge between Ottawa and Hull, on condition that the city corporation by by-law or other legal obligation should accept the same in full of all claims for compensation from the government as well as all claims for income tax from civil officers and servants.

The corporation requested that instead of the above the following mentioned arrangement might be adopted—viz., the government to assume the maintenance of the Major's Hill Park, assume and keep in repair the Dufferin and Sappers' bridges and that portion of Wellington Street, between Dufferin Bridge and Bank Street, and assume control over, maintain and provide the police force of the city. This did not wholly meet with the government's approval, and an order-in-council was passed on January 11th, 1885. The following concessions were in addition to those made in the order of December 21st, 1883: Resume possession of Major's Hill Park, keep Maria Street Bridge over the canal in repair, and construct and keep in repair substantial sidewalks in front of Cartier Square on Elgin Street and along Maria Street to Maria Street Bridge.

Agreement with Covernment.

The corporation, by passing by-law 607, agreed to the government's latter proposal, providing the government of Canada indemnified the city from any loss, or damage, or injury, suit, claims and demands on account of the said works, the corporation agreeing to make no claim for taxes on the income of officers and servants of the government of Canada.

On a memorandum dated November 27th, 1909, from the Minister of Public Works reciting all previous orders-in-council, the minister further states that the above agreement was continued and enlarged by statute (63 Vict., Chap. 10, 1889), when the Ottawa Improvement Commission was established. Under this act the government of Canada agreed to pay an annual grant, for a period of ten years, of $60,000 to the improvement commission to be expended in beautifying the city of Ottawa and surroundings, on condition that nothing contained in the act should in any way alter or change the agreement existing between the government and the corporation with regard to the control and possssion by the government of the said Major's Hill Park, the abolition of tolls, claim for civil servants' income tax, etc. This act was amended by statute (3 Edward VII., Chap. 45, 1903), extending the grant for a further period of ten years.

In 1899 the city passed a by-law accepting and approving the provisions of an act of parliament of the Dominion as follows: "That in consideration of the passing of the said act and the provisions therein contained, for the annual expenditure of a certain sum of money therein mentioned by the government of the Dominion of Canada for a certain period of years therein mentioned for the improvement and beautifying of the city of Ottawa or the vicinity thereof, as therein mentioned; the corporation shall at all times, while such annual grant is paid, as provided in the said act, furnish an adequate and sufficient supply of water for use in and on all buildings, land and premises in the said city of Ottawa, now owned, rented, leased or occupied, or to be hereafter owned, rented, leased or occupied by the said government, and also for the use in and on Rideau Hall and Rideau Hall grounds, and the central experimental farm and buildings thereon; and for use in and on all other buildings, lands and premises in the vicinity of the said city now or hereafter to be owned, rented, leased or occupied by the government; and shall also provide an efficient fire protection for any and all such buildings and premises and shall also provide for the sprinkling of the streets in front of such buildings, lands and premises including the bridges in the said city of Ottawa, maintained by the said government."

The minister observes that the agreement made with the city of Ottawa, under the above-cited act, having expired on July 1st, 1909, the corporation memorialized the government proposing certain terms of settlement in lieu of those already authorized, and submitted items for which it is claimed the government is indebted to the city, such as cost of fire protection, supply of water for various purposes, local improvements, etc.

Covernment to Spend Money on Capital.

It was also urged that the government in recognition of the fact that Ottawa is the capital of the Dominion of Canada, should, in addition to the settlement of whatever indebtedness it might be under to the city, grant a reasonable sum from the Federal treasury for the embelishment and beautification of the national capital. That as a result of negotiations between the city authorities and the government, it is proposed they make to the city an additional grant, said grant to be considered to be in full satisfaction and discharge of all claims and demands on the government by or on the part of the corporation of the city of Ottawa; and for the furthering of plans for improving and beautifying the city, and a new agreement is suggested along the following lines:—

The agreement entered into under order-in-council of June 17th, 1885, and city by-law 607, of August 10th, 1885, to be continued as amended by statute 63 Victoria, Chap 10, 1889 and statute 3 Edward VII., Chap. 45, 1903. The city to purchase and transfer to the Improvement Commission eleven properties on Sussex Street for the extension of the driveway around Nepean Point to Sussex Street and Rideau Hall. The city to furnish fire protection for all government-owned buildings and buildings leased or occupied by the government within the city or vicinity.

The minister recommended that legislation be introduced at the coming session of parliament confirming this agreement, said legislation to provide for an additional grant of $40,000 a year (making a total annual grant of $100,000) to the Ottawa Improvement Commission for the purpose of maintaining, improving and extending the present driveway. For the payment of a sum of $15,000 a year directly to the city of Ottawa, as a contribution towards the maintenance of the city's fire brigade, these payments to extend over a period of ten years to date from July 1st, 1909 to July 1st, 1919. The corporation ratified this agreement by passing By-law No. 3066.

Federal District Proposed.

On October 26th, 1911, the Mayor of Ottawa received a resolution from the board of trade, requesting the city council to take the necessary steps to have the capital of Canada constituted a federal district, including within its boundaries as large an area of the surrounding country as is necessary to enable the city to be planned developed and beautified to the best advantage; to be governed by a paid commission, partly nominated by the government, the majority elected by the people. That the Dominion shall contribute a fair proportion of the necessary revenue, that Federal representation in parliament for the district be continued, and that this question be submitted to the electors at the approaching municipal elections. In 1911 a resolution was passed by the

The Empire Loan Company

Authorized Capital	$5,000,000.00
Subscribed Capital	671,000,00
Paid Up Capital and Surplus	690,000.00
Assets (Approximately)	1,000,000.00

President, CHAS. M. SIMPSON Vice-President, WM. BRYDON Secretary-Treasurer, S. T. JONES

DIRECTORS:

CHAS. M. SIMPSON, President, Fidelity Trust Company
H. H. BECK, Director of Union Trust Company
WM. BRYDON, Contractor
A. B. STOVEL, Stovel Company
JOHNSON DOUGLASS, Director, Equitable Trust Company
RICHARD MacKENZIE, Western Manager, McLaughlin Carriage Company
A. N. McPHERSON, McPherson, Wilson & Brown, Barristers

The Empire Loan Company issues Debentures in sums of $100 and upwards for terms of from one to five years, bearing interest at current rates. Sterling Debentures for £25 and upwards, with interest coupons payable in London, England, are also issued. These Debentures are a charge on the Company's Assets of over one million dollars, and the Debenture holders are further secured by the deposit of mortgages with a trustee to the amount of one and one half times the total outstanding debenture debt.

Debenture prospectus may be had on application.

Head Office: UNION TRUST BUILDING, - WINNIPEG

SASKATCHEWAN

Your Interests

If

Insurance

Rentals

Farm Lands

or

Other Investments

Well Looked After

If Intrusted to

KERN AGENCIES

Limited

MOOSE JAW

AGENTS THROUGHOUT SASKATCHEWAN

PROPERTY MANAGEMENT

Owners who through absence from city, business demands, or for any other reason, are unable to devote sufficient attention to their properties, are requested to communicate with us and relieve themselves of all cares and responsibilities.

Paid-up Capital $2,500,000

London & British North America Company, Limited

Financial, Real Estate and Insurance Agents

626 PENDER STREET WEST, VANCOUVER, B.C.

city council: "That the capital of Canada should be created into a Federal district, including within its boundaries as large an area as is necessary to enable the city to be planned, developed and beautified to the best advantage, and be governed by a commission of seven, three to be appointed by the Dominion government and four to be elected by the people, and that the Dominion government should contribute a fair amount to the necessary revenue." The creation of a Federal district would bring the city under the influence and supervision of the Dominion government instead of the provincial government.

By an order-in-council dated June 5th, 1913, it was provided that a commission should be constituted, consisting of at least six members, inclusive of the Mayors of Ottawa and Hull to draw up plans for the purpose of forming Ottawa, Hull and their environments, into a federal district, the government paying half the cost and Ottawa and Hull jointly the other half, rateably according to population. This commission has since made its report, which is well interspersed with maps, plans, drawings and diagrams, making many recommendations for the extension and improvement of Ottawa and Hull and environments, as a Federal district. The proposed area of the district would extend from Chats Falls on the Ottawa River, at the head of Lake Dechenes on the west, to Green's Creek on the east, and from a point ten miles south of Ottawa to a point about ten miles north, reserving some 75,000 or 100,000 acres in the Gatineau Hills as a great national park, and improving the highways leading there to, as well as all other highways entering the city.

A replanning of all railway lines entering the city, no grade crossings, except where it cannot be avoided, segregated areas for industries, control of business and residential districts, and heighth of buildings, a diagonal connection for upper and lower town and the widening of the plaza. Laurier Avenue to be tunnelled at the west end and widened for heavy traffic, many of the main streets were to be widened. They also proposed street car subways and extensions, more bridges over the Rideau River, canal and Ottawa River; parks and parkways for Hull, which at present has no parks; control of waterways and a great many other improvements for the enlarging and beautifying the present cities of Ottawa and Hull and their environments.

No doubt the reconstruction of the city on the plans laid down by the commission, would entail an enormous capital expenditure. Ottawa has very little vacant land within its limits, the most of it is occupied by costly buildings, and street widenings require, as a general rule, very heavy outlays. The improvement of Hull would be much less costly, owing to the primitive condition of so many of its streets. Ottawa is fortunate in respect of its debt, which is, net, only a little over $12,000,000. The Federal district plan would widen the area of taxable lands, and bring in a population that would swell immediately our present number of 100,000 to 150,000 or more. If the Dominion government paid half the revenue required, it would equal a taxing power at present rates of a population of over 300,000. As it would take years for the consummation of these plans, the increase in debt would be gradual, and the many benefits to be derived from residing in such a modernized capital, would no doubt attract residents to the locality, which would help build up a population rapidly. The Federal district plan has many advantages for the better working of city government, although some seem to think the city is always at the mercy of the House and Senate, and except as it affects the national government, little attention is given to the welfare of the municipality. As there was a vote taken by the municipality in January, 1912, as to Ottawa becoming part of a Federal district, which resulted in a majority vote of over 4,000 in its favor, it might, for comparative purposes, be interesting here to relate some of Washington's history and government.

Method In the United States.

Congress sat in various cities until 1790. It was left for General Washington and Major L'Enfant to select and plan for the present site of the capital. There was quite a conflict among the American people for some time to decide where it should be located. It was agreed that Philadelphia should be the capital from 1790 to 1800. In 1791 the name was changed from Federal City to the city of Washington. The corner stone of the capitol was laid in 1793. This crowns Capitol Hill, some 90 feet high at the centre. The rapid stream at its base was named the Tiber, but now answers for a sewer. The territory containing the national capitol is bounded on the north-west, east and south-east by Maryland, and on the west and south-west by the Potomac River and Virginia, an area of between 60 and 70 square miles, originally it was 100 miles. In 1788 and 1789 it was ceded to the United States by Maryland and Virginia. The Virginia portion and the city of Alexandria were given back some years later. The general plan seems to be a country surrounded by hills, on a rolling plain, with here and there eminences which provide positions for public buildings. The national government became established in its present site in the year 1800. At that time the capitol stood in the midst of a marsh, a wilderness with muddy streets. In 1846 it was proposed to abandon Washington. The original capitol and executive mansion were burnt by the British invasion in 1814. The city had about 10,000 population then. It was rebuilt in 1827 and extensions made in 1851. When the Civil War broke out in 1861 it had a population of about 60,000; in ten years it increased to over 100,000. Owing to reconstruction changes the debt rose from three millions in 1871 to twenty millions in 1875. The above figures are interesting when one compares Ottawa's present debt of $12,000,000 and its population of 100,000. The present population of Washington is about 330,000. The streets are numbered or lettered and the avenues named after the different states. Another feature which lends great beauty to Washington is its wide avenues, almost parklike in appearance, and its many fine statues and monuments. Washington monument is the highest in the world. While firms are numerous, manufactures are not common. Washington, governed by the Federal Congress was chartered in 1802, with a mayor appointed by the President of the United States and an elective council of two chambers. At first it had a government elected by the citizens, but this proved unsatisfactory, as the elected representatives were more concerned with local questions than its needs as a capital. In 1871, municipal government was abolished, the charters of Washington and Georgetown repealed, Congress and a new government established for the entire district consisting of a governor, secretary, a board of public works, a board of health and a council appointed by the president, with the concurrence of the Senate, and a house of delegates, and a delegate to the National House of Representatives elected by the people. In 1874 Congress substituted a government by three commissioners appointed by the President with the concurrence of the Senate. In 1878 the government by commissioners was made permanent. Two of the commissioners must be residents of the district and the third must be an officer of the corps of engineers of the United States army. The people of the district have no voice in its government, have no representation in Congress, and have no vote for the President of the United States. Congress and the commissioners legislate for the district. The President, commissioners and the supreme court of the district appoint the administrative officers and boards, and the President appoints the judges of the district courts, the court of appeals, the supreme court, the municipal court, the police court, the probate and a juvenile court. Half the expenses of the government of Washington is paid by the district of Columbia and half by the United States. The revenue of the district, which is derived from a property tax and various licenses, is paid into the United States treasury. Appropriations are always specified and based on estimates prepared by the commissioners, are made only by Congress, and all accounts are audited by the treasury department. The schools are controlled by a board appointed by the district courts.

FRANCE THIRD BEST EXPORTS CUSTOMER

Approximately one-eleventh of Canada's exports in the twelve months ended October 31st, went to France.

Next to Great Britain and the United States, France stands at the present time as the best customer for Canadian goods. The possibilities for holding this trade will depend, for the time being, on Canada's willingness to establish credits for France here, until financial and commercial affairs are fully back on a peace basis. Normally, France is a producer of many commodities, for which there is a good market in Canada. But France's ability to supply these commodities in the war period was restricted by the diversion of her man power to the one big enterprise on hand, the defeat of Germany. As a result, Canadian imports from France have dwindled, and, relatively speaking, the balance of trade in favor of Canada has become of huge proportions.

Northern Mortgage Company of Canada

Head Office - WINNIPEG

Capital Subscribed - - -	$3,000,000
Capital Paid-up - - - -	1,875,000
Undivided Profits - - -	155,000

DIRECTORS

G. V. HASTINGS, President — D. K. ELLIOTT, Vice-President — R. T. RILEY, Managing-Director

J. H. Ashdown — G. W. Allan, K.C. — Hon. G. W. Brown
G. R. Crowe — G. F. Galt — A. Macdonald
J. A. McDougall — C. S. Riley — Jerry Robinson
Capt. Wm. Robinson — F. W. Stobart

Money to loan on approved security at current rates of interest

Debenture Stock for sale bearing interest at 5 per cent. per annum, payable half-yearly, and being a first charge on all the assets of the Company

OFFICES

Victory Building, 333 Main Street, WINNIPEG, Manitoba

PROVINCE OF MANITOBA

Manitoba Farm Loans Association

Offers to Investors its 5 per cent. Bonds

Issued in Denominations and for periods to suit purchasers.

The Security consists of First Mortgages on Improved Farm Lands, and the Province of Manitoba unconditionally guarantee payment of principal and interest.

THESE BONDS CANNOT SINK BELOW PAR

4 per cent. Interest paid on Demand Deposits.

The Manitoba Farm Loans Association

Winnipeg, Manitoba

L. McNEILL, Commissioner. C. P. L. FOWLER, Secretary.

CANADA'S COMMERCIAL BALANCE SHEET

(Compiled for "The Monetary Times" by the Department of Trade and Commerce.)

IMPORTS (Coin and Bullion excluded.) See page 170 for Export figures.

	COUNTRIES (Fiscal years ended March 31st) IMPORTS	1915			1916			1917			1918			
		Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	Dutiable	Free	TOTALS	
	BRITISH EMPIRE	$	$	$	$	$	$	$	$	$	$	$	$	
1	United Kingdom	68,010,299	22,146,862	90,157,161	52,009,078	25,395,283	77,404,361	75,504,932	31,591,652	107,096,584	58,047,170	23,277,113	81,324,283	1
2	Aden	3,437	14,531	17,968	4,857	.....	4,857	9,102	.....	9,102	1,318	.....	1,318	2
3	Africa—BritishEast	8,347	15,169	23,516	3,252	.....	3,252	68	.....	68	.....	.....	.....	3
4	British South	7,420	307,467	314,887	7,384	168,495	175,879	18,604	202,872	221,476	7,639	545,723	553,362	4
5	British West	.....	.....	.....	.....	50	50	.....	.....	.....	1,298	14,182	15,480	5
6	Bermuda	51	23,872	23,923	60	28,891	28,951	202	12,103	12,305	13,891	71,049	84,940	6
7	British China	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	7
8	E.Indies—Brit.Ind	826,700	3,307,147	4,133,847	2,372,323	2,360,449	4,732,772	3,789,916	1,135,966	4,925,882	4,090,199	5,265,394	9,355,593	8
9	Straits Settle	202,688	573,028	775,716	204,920	49,702	254,622	282,732	558,463	841,195	338,364	2,782,632	3,120,996	9
10	Other East Indies	62,991	1,574,994	1,637,985	69,443	1,723,624	1,793,067	101,066	1,031,640	1,132,706	147,628	3,830,009	3,977,637	10
11	British Guiana	2,980,115	13,419	2,993,534	5,631,673	4,957	5,636,630	7,188,015	4,878	7,192,893	6,708,201	8,446	6,716,647	11
12	British Honduras	.....	497,786	497,786	.....	476,601	476,601	.....	1,065,953	1,065,953	.....	352,028	352,028	12
13	British West Indies	4,391,722	1,771,574	6,163,296	4,620,529	1,637,434	6,257,963	11,697,109	2,541,896	14,239,005	7,596,027	2,954,523	10,550,550	13
14	*Egypt and Sudan	.....	.....	.....	5,696	816	6,512	10,724	617	11,341	4,295	2	4,927	14
15	Falkland Islands	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	15
16	Gibraltar	.....	150	150	.....	.....	.....	.....	.....	.....	.....	.....	.....	16
17	Hong Kong	631,774	616,801	1,248,575	474,073	773,456	1,247,529	567,967	831,017	1,398,984	802,930	1,002,585	1,805,515	17
18	Malta	936	13	949	480	.....	480	968	20	988	755	19	774	18
19	Newfoundland	14,224	1,228,576	1,242,800	796,971	779,644	1,576,615	1,006,680	1,140,278	2,146,958	951,287	1,996,240	2,947,527	19
20	Oceania—Australia	191,320	220,885	412,205	32,678	1,030,074	1,062,752	166,012	596,101	762,113	326,706	2,029,959	2,356,665	20
21	New Zealand	1,296,343	2,612,273	3,908,616	351,480	2,958,854	3,310,334	107,153	2,135,362	2,242,515	232,139	3,503,420	3,735,559	21
22	Fiji	1,780,368	.....	1,780,368	1,262,718	.....	1,262,718	831,890	.....	831,890	1,150,964	405	1,151,369	22
23	Oth'rOceania	1,715	7,709	9,424	403	141	544	961	.....	961	831	.....	831	23
24	Other Brit. Empire	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	24
	Totals,Brit. Empire	80,410,450	34,932,256	115,342,706	67,848,018	37,388,471	105,236,489	101,294,825	42,849,435	144,144,260	80,421,642	47,633,729	128,055,371	
	FOREIGN COUNTRIES													
25	Abyssinia	.....	.....	.....	.....	.....	.....	6,054	.....	6,054	.....	.....	.....	25
26	Argentine Republic	10,226	3,354,561	3,364,787	35,107	3,936,164	3,971,271	4,599	2,697,472	2,702,071	64,010	920,945	984,955	26
27	Austria-Hungary	610,681	31,501	642,182	3,023	133	3,156	1,390	.....	1,390	75	.....	75	27
28	Belgium	1,223,819	652,144	1,875,963	46,413	12,902	59,315	8,152	6,744	14,896	1,521	11,452	12,973	28
29	Belgian Congo	.....	12,952	12,952	.....	.....	.....	.....	75	75	.....	16,795	16,795	29
30	Bolivia	.....	.....	.....	.....	250	250	.....	.....	.....	.....	.....	.....	30
31	Brazil	723,754	425,797	1,149,551	855,778	28,054	883,832	1,061,008	1,477	1,062,485	964,556	26,221	990,777	31
32	Bulgaria	1,725	.....	1,725	5,875	.....	5,875	.....	.....	.....	.....	.....	.....	32
	CentralAmer.States													
33	Costa Rica	453	15,026	15,479	48,634	75	48,709	55,066	500	55,566	91,304	.....	91,304	33
34	Guatemala	46,558	45,591	92,149	70,447	.....	70,447	189,977	.....	189,977	172,883	.....	172,883	34
35	Honduras	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	35
36	Nicaragua	.....	.....	.....	439	.....	439	93,343	.....	93,343	101,287	.....	101,287	36
37	Salvador	3,600	6,789	10,389	13,611	.....	13,611	12,464	.....	12,464	32,900	.....	32,900	37
38	Chile	190	.....	190	.....	169,284	169,284	12	198,345	198,357	.....	478,378	478,378	38
39	China	228,927	813,456	1,042,383	263,621	654,989	918,610	374,668	753,734	1,128,342	488,589	848,301	1,336,890	39
40	Colombia	67,657	114,425	182,082	137,470	.....	137,470	183,778	1,179	184,957	186,656	650	187,306	40
41	Cuba	1,384,407	232,884	1,617,291	1,304,904	235,615	1,540,519	263,022	347,785	610,807	579,621	505,926	1,085,547	41
42	Denmark	10,615	33,729	44,344	7,692	38,157	45,849	5,409	25,051	30,460	1,402	12,986	14,388	42
43	Danish W. Indies	115,469	.....	115,469	58,351	.....	58,351	107	.....	107	.....	.....	.....	43
44	Greenl'd,Icel'd,&c	.....	208	208	.....	430	430	.....	564	564	.....	3,433	3,433	44
45	Ecuador	1,155	.....	1,155	1,225	.....	1,225	4,532	.....	4,532	2,835	.....	2,835	45
46	*Egypt and Sudan	21,652	8,830	30,482	.....	.....	.....	.....	.....	.....	.....	.....	.....	46
47	France	7,191,183	1,258,003	8,449,186	4,953,203	996,182	5,949,385	5,792,428	688,048	6,480,476	4,838,465	435,599	5,274,054	47
48	French Africa	2,883	5,478	8,361	474	.....	474	140	.....	140	.....	997	997	48
49	French Guiana	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,598	1,598	49
50	French Oceania	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	50
51	French W. Indies	.....	.....	.....	.....	.....	.....	.....	.....	.....	187	.....	187	51
52	Madagascar	203	4,122	4,325	.....	.....	.....	.....	.....	.....	.....	.....	.....	52
53	S.Pi're & Miq'elon	2,222	2,022	4,244	1,899	3,033	4,932	3,273	2,089	5,362	1,409	2,400	3,809	53
54	Germany	3,887,906	1,199,080	5,086,986	41,126	45,178	86,304	11,212	2,920	14,132	21,506	5,675	27,181	54
55	German Africa	.....	113,305	113,305	.....	.....	.....	.....	.....	.....	.....	.....	.....	55
56	German Oceania	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	56
57	Greece	415,953	1,958	417,911	327,621	11,215	338,836	159,963	509	160,472	20,294	2	20,296	57
58	Hayti	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	58
59	Italy	1,055,516	417,283	1,472,799	633,554	286,717	920,271	871,228	355,779	1,227,007	527,536	243,651	771,187	59
60	Japan	1,301,992	1,481,473	2,783,465	2,177,946	1,837,179	4,015,125	6,094,235	2,028,500	8,122,735	9,779,526	2,475,793	12,255,319	60
61	Korea	75	.....	75	45	.....	45	.....	.....	.....	.....	.....	.....	61
62	Liberia	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	62
63	Mexico	52,055	1,177,922	1,229,977	375,597	247,684	623,281	61,179	616,372	677,551	70,650	594,140	664,790	63
64	Montenegro	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	64
65	Morocco	.....	89	89	1,699	.....	1,699	2,647	.....	2,647	548	.....	548	65
66	Netherlands	1,229,505	539,751	1,769,256	782,123	275,610	1,057,733	1,030,349	204,644	1,234,993	820,000	234,176	1,054,176	66
67	Dutch East Indies	116,153	81,589	197,742	31,315	137,854	169,169	567,987	52,201	620,188	69,710	2,761,932	2,831,642	67
68	Dutch Guiana	186,376	.....	186,376	372,248	.....	372,248	4,549	.....	4,549	201,763	1,710	203,473	68
69	Dutch W. Indies	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	69
70	Norway	316,744	68,903	385,647	210,630	68,461	279,091	238,232	87,007	325,239	92,550	48,508	141,058	70
71	Panama	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	71
72	Paraguay	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	72
73	Persia	6,015	509	6,524	3,789	.....	3,789	33,617	.....	33,617	36,841	122	36,963	73
74	Peru	1,407,350	86,696	1,494,046	789,223	373,180	1,162,403	1,553,086	100,204	1,653,290	2,343,354	18,889	2,362,243	74
75	Portugal	196,395	19,213	215,608	164,051	43,583	207,634	229,848	30,246	260,094	196,928	41,492	238,420	75
76	Azores&Maderia I	1,865	.....	1,865	4,303	.....	4,303	20,452	.....	20,452	10,628	.....	10,628	76
77	Portugese Africa	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	77
78	Roumania	6,960	185	7,145	.....	.....	.....	.....	.....	.....	.....	.....	.....	78
79	Russia in Asia	62,514	42,941	105,455	8,205	115,699	123,904	429	23,711	24,140	44	8,433	8,477	79
80	Ruasia in Europe													80
81	San Domingo	3,193,796	.....	3,193,796	4,020,491	.....	4,020,491	3,888,807	.....	3,888,807	6,615,961	.....	6,615,961	81
82	Serbia	.....	140	140	.....	.....	.....	.....	.....	.....	.....	.....	.....	82
83	Siam	494	12,178	12,672	1,065	29 586	30,651	14,059	3,705	17,764	49,526	15,068	64,594	83
84	Spain	901,247	76,201	977,448	529,281	87,744	617,025	830,276	79,270	909,546	719,498	89,309	808,807	84
85	Canary Islands	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	85
86	Spanish Africa	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	86
87	Sweden	411,288	134,547	545,835	112,241	50,430	162,671	58,720	41,118	99,838	100,144	10,028	110,172	87
88	Switzerland	3,920,387	58,869	3,979,256	3,474,301	50,816	3,525,117	4,436,320	63,001	4,499,321	3,000,561	145,921	3,146,482	88
89	Turkey in Af.(Trip'li)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	89
90	Turkey in Asia	306,849	16,378	323,227	42,248	.....	42,248	243	.....	243	.....	.....	.....	90
91	Turkey in Europe													91
92	United States	168,658,299	127,974,207	296,632,506	199,466,665	171,029,909	370,496,574	332,039,327	332,180,326	664,219,653	429,298,758	362,607,367	791,906,125	92
93	Alaska	20,768	17,524	38,292	4,731	1,629	6,360	10,094	9,478	19,572	10,294	80	10,374	93
94	Guam, etc	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	94
95	Hawaii	23,217	9,438	32,655	20,253	1,854	22,107	54,585	1,112	55,697	30,492	348	30,840	95
96	Philippines	2,177	4,027	6,204	1,020	11,339	12,355	39,899	425	40,324	23,285	44	23,329	96
97	Porto Rico	.....	.....	.....	3	.....	3	498	4,890	5,388	10	126	136	97
98	Uruguay	1,434	11,347	12,781	.....	280,437	280,437	.....	146,619	146,619	50,481	.....	50,481	98
99	Venezuela	51,036	158,590	209,626	114,569	789	115,358	138,305	18,779	157,084	301,292	.....	301,292	99
100	Other For.Countries	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	100
	Totals, For. Coun	199,381,745	140,721,861	340,103,606	221,518,509	181,062,161	402,580,670	360,438,784	340,773,262	701,212,046	461,919,880	372,568,495	834,488,375	
	Grand Totals	279,792,195	175,654,117	455,446,312	289,366,527	218,450,632	507,817,159	461,733,609	383,622,697	845,356,306	542,341,522	420,202,224	962,543,746	

* Egypt and Sudan are shown as Foreign Countries prior to 1916.

Correspondence Invited

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OUR RECORD GROWTH

	Paid up Capital.	Reserves	Assets
In 1903	$110,295.92	$27,767.21	$160,574.29
In 1917	$2,412,566.31	$756,580.13	$7,168,537.29

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TORONTO, CALGARY, EDMONTON, REGINA, VANCOUVER, VICTORIA

SHORT TERM DEBENTURES ISSUED TO YIELD 5½%

CANADA S COMMERCIAL BALANCE SHEET—*Continued from page 168*

EXPORTS (Coin and Bullion excluded)

	COUNTRIES (Fiscal years ended March 31st) EXPORTS	1915			1916			1917			1918			
		Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	Canadian Produce	Foreign Produce	TOTALS	
	BRITISH EMPIRE	$	$	$	$	$	$	$	$	$	$	$	$	
1	United Kingdom	186,668,554	25,089,164	211,757,718	451,852,399	11,228,842	463,081,241	742,147,537	13,923,522	756,071,059	845,480,069	15,593,330	861,073,399	1
2	Aden	9,014	.....	9,014	13,740	.....	13,740	6,769	.....	6,769	2,285	.....	2,285	2
3	Africa—British East	59,838	.....	59,838	76,681	.....	76,681	25,799	.....	25,799	54,232	.....	51,232	3
4	British South	4,585,791	59,798	4,645,589	5,456,201	52,880	5,509,081	4,447,802	5,137	4,452,939	5,065,658	35,956	5,101,614	4
5	British West	40,927	.....	40,927	128,508	50	128,558	268,728	.....	268,728	69,226	.....	69,226	5
6	Bermuda	357,712	10,551	368,263	435,615	12,866	448,481	584,577	16,869	601,446	814,550	22,628	837,178	6
7	British China	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	7
8	E. Indies—Brit. Ind.	415,105	575	415,680	904,889	11,425	916,314	1,094,046	4,310	1,098,356	2,995,630	13,828	3,009,458	8
9	Straits Settle.	245,355	101	245,456	281,734	.....	281,734	333,390	.....	333,390	761,607	2,500	764,107	9
10	Other East Indies	23,905	.....	23,905	44,217	.....	44,217	27,827	.....	27,827	17,238	.....	17,238	10
11	British Guiana	675,660	3,137	678,797	1,207,134	4,770	1,211,904	1,631,395	8,075	1,639,470	1,978,323	8,960	1,987,283	11
12	British Honduras	9,450	.....	9,450	3,355	132	3,487	2,562	211	2,773	13,468	699	14,167	12
13	British West Indies	4,333,095	33,697	4,366,792	4,115,872	19,029	4,134,901	5,163,278	15,805	5,179,083	6,838,563	60,950	6,899,513	13
14	*Egypt and Sudan	.....	.....	.....	39,493	346	39,839	160,295	.....	160,295	579,702	.....	579,702	14
15	Falkland Islands	.....	.....	.....	.....	.....	.....	110	.....	110	.....	.....	.....	15
16	Gibraltar	210.303	1,226,011	1,436,314	1,073,156	364,478	1,437,634	2,808,554	.....	2,808,554	193	.....	193	16
17	Hong Kong	653,838	1,215	655,053	779,358	34,615	813,973	494,462	610	495,072	1,003,900	3,137	1,007,037	17
18	Malta	23,313	42,770	66,083	35,136	4	35,140	6,190	6,090	12,280	7,303	.....	7,303	18
19	Newfoundland	3,976,160	216,303	4,192,463	4,820,395	246,529	5,066,924	6,517,529	251,211	6,768,740	10,191,564	297,757	10,489,321	19
20	Oceania—Australia	5,522,594	30,092	5,552,686	7,748,051	25,158	7,773 209	6,549,546	27,179	6,576,725	8,653,635	22,622	8,676,257	20
21	New Zealand	2,619,556	4,299	2,623,855	3,307,404	54,595	3,361.999	3,302,240	31,670	3,333,910	4,089,823	68,205	4,158,028	21
22	Fiji	112,355	324	112,679	196,308	770	197,078	155,653	541	156,194	169,040	1,083	170,123	22
23	Other Oceania	8,244	.....	8,244	10,087	.....	10,087	12,157	.....	12,157	5,367	.....	5,367	23
24	Other Brit. Empire	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	24
	Totals, Brit. Empire	210,550,769	26,718,037	237,268,806	482,579,733	12,056,489	494,636,222	775,900,741	14,291,230	790,191,971	888,788,376	16,131,655	904,920,031	
	FOREIGN COUNTRIES	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	25
25	Abyssinia	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	26
26	Argentine Republic	634,387	5,082	639,469	2,398,628	27	2,398,655	1,673,575	1,085	1,674,660	1,203,142	17,175	1,220,317	27
27	Austria-Hungary	220,654	59,134	279,788	.....	.....	.....	.....	.....	.....	.....	.....	.....	28
28	Belgium	2,220.709	1,038,650	3,259,359	334,762	.....	334,762	664,722	.....	664,722	4,909,453	.....	4,909,453	29
29	Belgian Congo	.....	.....	.....	.....	.....	.....	54	.....	54	1,763	.....	1,763	30
30	Bolivia	.....	.....	.....	2,383	.....	2,383	19,367	.....	19,367	113,549	.....	113,549	31
31	Brazil	541,998	517	542,515	1,059,700	82,405	1,142,105	1,028,163	34,382	1,062,545	974,368	1,937	976,305	32
32	Bulgaria	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
	Central Amer. States	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
33	Costa Rica	36,045	37	36,082	28,338	.....	28,338	30,192	.....	30,192	13,620	8	13,628	33
34	Guatemala	27,295	.....	27,295	17,798	.....	17,798	22,980	.....	22,980	20.392	.....	20,392	34
35	Honduras	5,587	20	5,607	7,759	.....	7,759	15,544	.....	15,544	6,733	.....	6,733	35
36	Nicaragua	1,618	.....	1,618	3,311	.....	3,311	4,699	.....	4,699	5,192	7,755	12,947	36
37	Salvador	2,215	.....	2,215	4,190	.....	4,190	6,214	.....	6,214	10,365	62	10,427	37
38	Chile	55,302	45	55,347	88,634	.....	88,634	508,177	.....	508,177	314,384	65,082	379,466	38
39	China	294,251	2,152	296,403	536,332	150	536,482	408,002	10,397	418,399	1,954,055	106,147	2,060,202	39
40	Colombia	24,027	90	24,117	32,259	.....	32,259	66,836	.....	66 836	12,463	.....	12,463	40
41	Cuba	1,482,649	39,342	1,521,991	1,419,087	12,203	1,431,290	2,967.053	47,269	3,014,322	4,015,940	26,055	4,041,995	41
42	Denmark	529,690	190,230	719,920	111,432	1,556	112,988	111,044	1,221	112,265	39,230	.....	39,230	42
43	Danish W. Indies	13,536	35	13,571	7,537	.....	7,537	24,910	.....	24,910	11,010	.....	11,010	43
44	Greenl'd, Icel'd, &c.	1,668	.....	1,668	5,132	.....	5,132	.....	.....	.....	18,337	1,550	19,887	44
45	Ecuador	8,646	.....	8,646	19,395	.....	19,395	12,241	.....	12,241	13,672	47	13,719	45
46	*Egypt and Sudan	26,484	.....	26,484	.....	.....	.....	.....	.....	.....	.....	.....	.....	46
47	France	10,499,680	4,096,025	14,595,705	33,703,183	2,382,630	36,085,813	64,039,192	2,612,908	66,652,100	201,053,676	5,531,387	206,585,063	47
48	French Africa	4,170	.....	4,170	12,536	4	12,540	8,744	.....	8,744	795	.....	795	48
49	French Guiana	2,374	.....	2,374	1,234	.....	1,234	231	.....	231	1,033	.....	1,033	49
50	French Oceania	1,488	.....	1,488	2,355	.....	2,355	815	.....	815	7,438	.....	7,438	50
51	French W. Indies	32.479	.....	32,479	103,895	.....	103,895	187,093	.....	187,093	163,117	86	163,203	51
52	Madagascar	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	52
53	S. Pi're & Miq'elon	141,097	14,235	155,332	154,920	16,650	171,570	187,661	22,123	209,784	345,303	36,982	382,285	53
54	Germany	1,447,341	714,619	2,162,010	.....	.....	.....	.....	.....	.....	.....	.....	.....	54
55	German Africa	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	55
56	German Oceania	4,800	.....	4,800	.....	.....	.....	.....	.....	.....	.....	.....	.....	56
57	Greece	87,485	.....	87,485	222,330	.....	222,320	19 309	.....	19,309	4,262	.....	4,262	57
58	Hayti	4,295	.....	4,295	2,119	.....	2,119	6,365	.....	6,365	1,741	.....	1,741	58
59	Italy	521,802	1,319,108	1,840,910	6,572,687	4,160,601	10,733,288	11,226,051	242,548	11,468,599	3,336,059	2,246	3,338,305	59
60	Japan	963,631	73,370	1,037,001	996,575	1,665	998,240	1,205,067	77,048	1,282,115	4,861,244	411,797	5,273,041	60
61	Korea	1,712	.....	1,712	605	.....	605	106,850	.....	106,850	366	.....	366	61
62	Liberia	63	.....	63	.....	.....	.....	310	.....	310	.....	.....	.....	62
63	Mexico	18,551	.....	18,551	72,819	14,344	87,163	70,330	10,060	80.390	482,428	12,667	495,095	63
64	Montenegro	.....	.....	.....	49,024	108	49,132	.....	.....	.....	.....	.....	.....	64
65	Morocco	.....	.....	.....	.....	.....	.....	4,634	.....	4,634	.....	.....	.....	65
66	Netherlands	1,623,405	3,631,424	5,254,829	1,815,950	747,676	2,563,626	1,561,480	7.834	1,569,314	2,462,574	825	2,463,399	66
67	Dutch East Indies	25,927	.....	25,297	272,710	.....	272,710	332,785	.....	332,785	344,196	863	345,059	67
68	Dutch Guiana	40,453	495	40.948	49,574	301	49,875	71,411	201	71,612	105,453	1,416	103,869	68
69	Dutch West Indies	6 715	.....	6,715	7,701	.....	7,701	20,373	.....	20,373	7,131	.....	7,131	69
70	Norway	1,000,715	75	1,000,790	458,536	12	458,542	964,552	1,601	966,153	173,491	.....	173,491	70
71	Panama	125,630	3,406	129,036	153,556	.....	153.556	271,022	.....	271,022	70,631	17	70,648	71
72	Paraguay	.....	.....	.....	.....	.....	.....	88	.....	88	.....	.....	.....	72
73	Persia	.....	.....	.....	.....	.....	.....	475	.....	475	.....	.....	.....	73
74	Peru	13,141	.....	13,141	47,182	80	47.262	246,791	72	246,863	99,377	48,510	147,887	74
75	Portugal	25,206	763,279	788.485	56,726	.....	56,726	209,689	.....	209,689	14,878	.....	14,878	75
76	Azores & Maderia I.	6,279	.....	¢,279	17,833	2	17,835	33,441	.....	33,441	16,096	.....	16,096	76
77	Portugese Africa	79,611	.....	79,611	58,349	419	58,768	15.59?	.....	15,593	4,423	.....	4,423	77
78	Roumania	3,150	.....	3,150	.....	.....	.....	.....	.....	.....	.....	.....	.....	78
79	Russia in Asia	1,270.941	60,250	1,331,191	4,874,152	1,863,000	6,737,152	3,755,569	430,253	4,185.822	4,008,475	1,524	4,009,999	79
80	Russia in Europe	.....	.....	.....	.....	.....	.....	12,919	.....	.....	.....	.....	.....	80
81	San Domingo	3,938	.....	3,938	12,919	.....	12,919	39,827	.....	39,827	45,087	.....	45,087	81
82	Serbia	8	.....	8	12,475	.....	12,475	.....	.....	.....	.....	.....	.....	82
83	Siam	16 322	.....	16,322	22,486	.....	22,486	22,154	.....	22,154	54,780	30,810	85,590	83
84	Spain	243,001	246,679	489,680	634,977	21	634,998	326,179	5,000	331,179	98,256	.....	98,256	84
85	Canary Islands	29,841	328	30,169	24,559	.....	24,559	79,966	.....	79,966	22,577	.....	22,577	85
86	Spanish Africa	.....	.....	.....	39	.....	39	.....	.....	.....	.....	.....	.....	86
87	Sweden	172,796	500	173,296	53,440	.....	53,440	18,215	.....	18,215	15,596	.....	15,596	87
88	Switzerland	11,853	4,592	16,445	224,535	754,568	979,103	672,508	882	673,390	2,921	4,161	8,082	88
89	Turkey in Af. (Trip'li)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	89
90	Turkey in Asia	3,979	1,982	5,961	.....	.....	.....	.....	.....	.....	.....	.....	.....	90
91	Turkey in Europe	173,320,216	13,022,640	186,342,856	201,106,488	15,562,774	216,669,262	280,616,330	9,962,443	290,578,773	417,812,807	23,578,113	441,390,920	91
92	United States	297,282	16,595	313,877	331 558	24,708	356,266	462,511	69,832	532,343	505,066	122,186	627,252	92
93	Alaska	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	93
94	Guam, etc.	70,591	700	71,291	35,756	3,783	39,539	247,752	6,313	254,065	493,027	742	493,769	94
95	Hawaii	41,574	.....	41,574	7,323	.....	7,323	12,808	.....	12,808	33,153	199	33,352	95
96	Philippines	468,698	.....	468,698	699,460	3,256	702,716	719,918	576	720,494	751,436	.....	751,436	96
97	Porto Rico	52,820	.....	52,820	33,101	.....	33,101	68 549	.....	68,549	97,916	.....	97,916	97
98	Uruguay	56,196	.....	56,196	98,567	.....	98,567	238,911	54	238,965	103,935	.....	103,935	98
99	Venezuela	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	99
100	Other For. Countries	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	100
	Totals, For. Coun.	198,868,067	25,305,636	224,173,703	259,030,905	25,632,943	284,663,848	375,475,027	13,544,102	389,019,129	651,239,412	30,010,349	681,249,761	
	Grand Totals	409,418.836	52,023,673	461,442 509	741,610,638	37,689,432	779,300.070	1151375,768	27.835,332	1,179,211.100	1540,027,788	46,142,004	1586,169,792	

* Egypt and Sudan are shown as Foreign Countries prior to 1916.

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In the event of defalcation on the part of an employee, your business is presumably protected from serious embarrassment by a guarantee bond. As a sound business man you have no doubt attended to that.

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Life Insurance Problems and The War

Effects of War Mortality—Lapsed Policies—Prohibition—New Position of Women—An Acturial Viewpoint—Life Insurance Companies Have Survived War Period With Excellent Record

By L. K. FILE

IN life insurance, as in other fields of business activity, the great war has been responsible for the creation of a great many problems, some of which will pass away with the coming of peace. Others, however, will remain with us for some time, and perhaps there may be some problems indirectly caused or at least accentuated by the war that will remain with us for all time. Speculation as to future developments are, of course, permissible to all people, but we are on much safer ground when we confine our discussion of such things to the advocacy of solutions that ought to be adopted than we are when we attempt to prophesy what particular solution of any problem is going finally to appeal most favorably to the judgment of the generations to come. The great business of life insurance has had its many problems to solve in the past and will have many new ones to be dealt with in the future, and it is the purpose of this article to call attention to a few of the problems that have presented themselves for solution since the war began, having in mind more particularly those of an actuarial nature.

Provision for War Mortality.

At the outset, the first problem was to determine the basis upon which the companies might accept for insurance lives that would be subject to military or naval service. The situation was more serious by reason of the fact that most Canadian companies had eliminated any war clauses from their policies, so that a great volume of business existed which was subject to extra mortality but which could not be made subject to any extra premiums. Subsequent experience has shown that the great majority of the claims incurred have come from this class. Notwithstanding this condition, the companies adopted a patriotic attitude and offered policies to new insurers at an extra premium of fifty dollars per thousand. This was to be a single extra payable upon engaging in military service.

As the war continued, however, and hope was gradually given up of an early cessation of hostilities, it became apparent that this rating was utterly inadequate to provide for the extra war mortality. It was rendered still more inadequate by the fact that it applied only if the assured engaged in active service within one year of the issue of the policy, and that in accordance with the provision of the Canadian Insurance Act ninety days must be allowed for payment of this extra. The practical effect of this latter provision was that in the great majority of cases the company carried the insurance for the full ninety days without being recompensed for it. On the 1st September, 1915, therefore, the majority of the companies began making provision in their policies for an annual extra premium instead of a single one, and the amount of this extra was either left to be fixed later or stated to be one hundred and fifty dollars for each thousand dollars of insurance. The object in fixing the extra at this figure was to provide not merely for actual death losses, but also to make some provision for the heavier mortality that must result from the deterioration of the insured lives as a result of the war. The annual extra of $150 has been justified by subsequent experience, but the imposition of such an extra had the practical effect of cancelling the insurance, since most assured found it prohibitive. To meet this situation, the companies agreed that where death occurred without the extra premium required being paid, all ordinary premiums would be returned to the assured's estate with compound interest at the rate of five per cent. per annum.

Action of Companies Vindicated.

The attitude of the companies in thus safeguarding the interests of the main body of their policyholders has come in for some criticism from some quarters where the problem had not been understood, it being declared that the companies were unpatriotic in requiring the fighting man to pay such a high extra. As a matter of fact, true patriotism would demand that this extra burden be borne by the nation at large and not saddled on that part of the community that forms the membership of our life companies. The justice of this view was recognized in the United States where governmental provision was made for the nation as a whole carrying the cost of the war risk on the soldiers' lives.

Reinstatement of Lapsed Policies.

Another problem that engaged the attention of the companies was the treatment of policyholders of military age who allowed their policies to lapse. Generally speaking, it is the practice of most companies to be more lenient in passing an application for reinstatement than one for a new policy, but it is obvious that such leniency should not be such as to materially affect the rights of the great mass of policyholders whose consideration is the company's first duty. It was felt by the companies that, in view of the fact that practically all policies issued prior to August, 1914, imposed no restrictions in regard to military service, where any such policy was allowed to lapse by the assured, the application for reinstatement should be dealt with upon the same basis in regard to military service as if it were new business and, consequently, that the reinstatement should be made subject to the usual military service clause.

That this view is a sound one is evidenced by the fact that the Superintendent of Insurance for the Dominion has publicly supported the same view, and indeed it is one that appeals to the average man as the reasonable view. Discussion has centred chiefly around the meaning of the phrase "satisfactory evidence of insurability" required by the companies before reinstatement is granted. The question has already been in the courts for adjudication on the ground that the phrase means only "evidence of good health" while the companies maintain that it includes consideration of all factors that would be looked into in an application for new insurance. As no final court of appeal has as yet passed upon the question, the legal position cannot be said to have been finally established.

Problem of Discharged Soldiers.

One problem that has been engaging the attention of company executives ever since discharged soldiers began to return home is that of the insurance of returned men who have undergone amputations, or who have suffered from shell shock, gas attacks or any other abominations of trench life. These questions are being dealt with tentatively in the meantime by arbitrary ratings until sufficient information is at hand to decide finally as to the proper method of treatment. The subject is an important one to all concerned, and the companies are most anxious that these deserving men may obtain the necessary insurance protection on a fair basis.

Danger from Unrestricted Disability Clause.

The condition of this class of returned men stimulates speculation as to how great a burden the companies would have been obliged to bear had the total and permanent disability benefit been in general use ten years before it was first adopted. It is clear that the number of claims under such a clause would have been considerable, and this fact so impressed the companies with the importance of restrictive measures that for a time this benefit was refused to new assurers of military age. Later this attitude was modified by the companies granting the clause, but making provision for its becoming null and void on the assured's engaging in military service.

Prohibition Necessitates Re-Rating.

The introduction of prohibition in Canada as a war measure, and the probability that it will become permanent, has imposed upon the life companies the necessity of revising their ratings for occupations previously connected with the liquor traffic. For example, the companies have been requiring an extra premium on managers and employees of hotels and clubs except large first-class institutions, and even in these many of the employees were subject to the same extra premium. In view of the uncertainty as to

whether prohibition is to be permanent or not, the revision of the ratings is attended with some difficulty. However, the view appears to be taken that the change is to be a permanent one and, consequently, better terms are now being offered these classes of risks. As a matter of fact the companies must be continually revising their ratings for extra hazardous risks according as continually changing conditions exert their influence on the mortality experienced in any particular class.

Reduction in Dividends a Live Question.

One problem that has arisen from the war and which will remain with us for some time is the question as to whether dividends to policyholders should be reduced. It is well known, of course, that the majority of British companies have found it necessary to reduce dividends or to pass them altogether. This was due chiefly to the colossal losses suffered in war mortality, although the depreciation of securities and increased taxation have also been most important factors.

Canadian companies have not suffered to the same extent and, consequently, are in a better position in this respect. Notwithstanding this fact, however, the subject is causing grave concern to life insurance executives, and this concern has been greatly accentuated as a result of the heavy losses being sustained by all companies alike from the epidemic of Spanish influenza. Even before the epidemic swept over the country reductions in dividends had been made by a few companies, but it is too early yet to know whether any more are likely to follow this lead. It is obvious, however, that the action of any company in this respect will be largely governed by its attitude on the dividend question prior to the war. If a company prior to the commencement of hostilities followed the conservative practice of declaring dividends on a basis lower than the actual earnings would have justified, it may now find itself in the happy position of being able to maintain its scale unimpaired, since it has really accumulated an emergency surplus fund which might easily take care of losses due to the war. In the case, however, of a company that followed the practice of distributing the full amount earned, it is obvious that its position is quite different and it may easily find itself obliged to put into effect a general reduction.

It is clear, therefore, that no rule can be laid down governing the action of all companies in this regard. The circumstances of each must determine the line of action in each case. The question is a more serious one for the young companies than for the older ones since they are more likely to have a much larger proportion of insured lives at those ages at which the mortality has been greatest. On the other hand, they are perhaps not so likely to be affected by depreciation in investments, since the average young company has invested a larger proportion of its assets in real estate loans than is regarded desirable for a large company.

The Problem of Women.

Any discussion of war problems would be incomplete that did not take cognizance of the fact that the war has been the occasion of the introduction into industry and business of enormous numbers of women and that many of these are likely to stay. Furthermore, the extension of the franchise to women in all democratic countries may be taken as notice that hereafter women will play a far larger part than heretofore in political as well as commercial life. This should mean a great widening of the field for life insurance activities since only the fringes of this field have been cultivated heretofore.

This invasion of the industrial and business world by women is likely, if it assumes permanency, to create a demand for insurance protection of a somewhat different character than that heretofore provided by the companies. With men, life insurance requirements centre chiefly around two possibilities—(a) death and (b) old age. With women, however, there would be a third possibility, namely, marriage, and it is reasonable to assume that there might be considerable demand for insurance centering on this third possibility if the field is fully exploited. As to the various forms this might take, it is not possible to state at the present time, and it is probable that these would only emerge gradually as the continued development of women's work and social responsibilities made itself felt.

The introduction of any such forms of insurance would introduce difficult but highly interesting actuarial problems which could not be finally solved in a day but which must, of course, yield to satisfactory solutions in the course of time. It is questionable, however, whether a life insurance company would be permitted under Canadian law to embark upon insurances of this character.

HAIL INSURANCE IN 1918

Business is Increased this Year and Companies' Operations were Successful—Municipal Insurance Disappointing

BY W. A. SMART

The results of the season's operations in the three prairie provinces for the season of 1918 have been satisfactory to the companies in the field.

On account of the drought during the growing period, which affected the crops in large areas in Alberta and Saskatchewan, the volume of business written showed considerable reduction from the previous year. Hail storms were, however, less frequent and less severe, so that, from the point of view of the companies, the balance was on the right side at the close.

In Alberta heavy frosts occurred late in July, destroying large areas of grain which were insured against hail only. In many districts no damage had been sustained from hail prior to the date of the frost. It is probably due to this circumstance that several of the companies are able to show a profit in that province instead of the usual loss. Similar conditions with regard to frost prevailed in much of the northern part of Saskatchewan.

Uniformity in Adjustment.

For the first time in the history of hail insurance in Canada adjustments of losses were made for the companies through a common channel. With the exception of two or three of the smaller concerns, the companies delegated this work to the North West Adjustment and Inspection Company, Limited, which was organized for the purpose, and has, it is believed, given equally satisfactory and efficient service to the assured and the insurers. The measure of uniformity secured by this method of handling adjustments, as well as the impartial treatment accorded to each individual claimant, are features which commend themselves to both parties to a hail insurance contract. It is to be hoped that the scope of the company's activities may be extended in the future to cover all losses sustained from hail, whether insured by companies or municipally.

Volume of Business Increased.

Increasingly high prices of grain have developed a tendency on the part of farmers to carry heavier insurance, many taking $20 per acre and a few as high as $40 per acre, whereas a few years ago it was the exception to exceed $10 per acre.

It is understood that some amendments to the Insurance Act are under consideration by the government of Saskatchewan, having for their main object a clearer expression of the intention of the present "hail insurance conditions."

The municipal hail insurance scheme has again proved disappointing to its friends, and claimants will only receive about 80 per cent., or less, of the indemnities awarded to them. Eventually, it will no doubt be borne in upon the minds of the advocates of this scheme that the hail hazard can only be carried on an adequate premium, which should provide not only for full payment of indemnities in a normal season, but the building up of a large reserve fund for the abnormal seasons which are certain to come; and this premium should be distributed over the land actually bearing crops.

TORONTO PAYS $3,383,000 INSURANCE TO SOLDIERS

Four thousand and forty-nine claims have been made upon Toronto under its plan of insurance of soldiers. Of these, 3,383 had been accepted and paid either by the city or the insurance companies. There were 666 claims left, 450 of which came within the prohibitive order, leaving 216 to be adjusted. The total cash payments to date in insurance were $3,383,000. If the prohibited claims were allowed another $450,000 would be needed. It was estimated that the cost of meeting the 216 claims under consideration, and others that will come in before demobilization is completed, would be approximately $500,000, but if all claims were entertained irrespective of where the applicants resided, then the cost would be $1,000,000.

DOMINION INSURANCE CHANGES

Legislation Affecting Canadian Companies—New Licenses, and Withdrawals

During the session of 1918 acts were passed by the Dominion legislature extending the time during which the following companies may obtain a license:—

(1) The Canadian Indemnity Company.

(2) The Fire Insurance Company of Canada. (This company is now licensed).

The following acts relating to insurance companies were also assented to:—

(1) An act to incorporate "Merchants Casualty Company."

The act incorporates the company with power to take over the assets and to assume the liabilities of a provincial company of the same name, incorporated by the statutes of Manitoba, and gives the company power to transact the business of accident, sickness, automobile, burglary, explosion, guarantee, plate glass, sprinkler leakage, steam boiler and fire insurance.

(2) An act respecting the Protective Association of Canada.

This act amends the act of incorporation of the above association by providing for accident and sickness benefits of larger amounts which may be contracted for when the paid-up capital of the association has been increased, and providing also for the length of time during which sickness benefits may be paid.

(3) An act to incorporate the United Canadian Insurance Company.

This act authorizes the company to transact the business of hail, fire, cyclone or tornado, plate glass, automobile, burglary, accident, guarantee, sprinkler leakage and credit insurance.

Dominion Licenses Issued in 1918.

During 1918 the following companies received a license for the first time from the Dominion Insurance Department. The chief agent in Canada, and the class of business transacted is indicated in each case:—

Canadian Companies.

The Fire Insurance Company of Canada; J. E. Clement, Montreal; fire insurance.

La Societe des Artisans Canadiens Francais; Henri Roy, Montreal; life, accident and sickness insurance to the extent authorized by the society's act of incorporation.

The Western Life Assurance Company; Adam Reid, Winnipeg; life.

British Companies.

British Traders Insurance Company, Limited; C. R. Drayton, Toronto; fire, automobile and hail insurance.

Car and General Insurance Corporation, Limited; Arthur Barry, Montreal; fire, accident, automobile, hail and sickness.

The Excess Insurance Company, Limited; Anderson and Sheppard, Moose Jaw; hail.

The National Benefit Assurance Company, Limited; J. T. Summerfield, Vancouver; fire insurance restricted to the province of British Columbia.

Queensland Insurance Company, Limited; F. G. Donaldson, Montreal; fire.

The Union Marine Insurance Company, Limited; R. MacD. Patterson, Montreal; fire, inland transportation and automobile insurance excluding insurance against loss by reason of bodily injury to the person.

Scottish Metropolitan Assurance Company, Limited; Alex. Bissett, Montreal: fire, accident, automobile, burglary, guarantee and sickness.

Foreign Companies.

American Alliance Insurance Company; William Robins, Toronto; fire insurance restricted to the province of British Columbia.

Boston Insurance Company; A. Z. DeLong, Vancouver; fire.

Fire Association of Philadelphia; Leeming Brothers, Limited, Victoria, B.C.; fire..

Lumbermen's Underwriting Alliance; T. E. Clendinnen, Ottawa; fire.

Manufacturing Lumbermen's Underwriters; W. E. Bigwood, Toronto; fire.

Maryland Assurance Corporation; J. F. Lightbourn, Toronto; accident and sickness.

Mechanics' and Traders' Insurance Company; J. W. Allan, Vancouver; fire insurance restricted to the province of British Columbia.

The Newark Fire Insurance Company; F. W. Walker, Vancouver; fire insurance restricted to the province of British Columbia.

New Hampshire Fire Insurance Company; H. H. Motley, Calgary; fire.

New Jersey Insurance Company; H. A. Robertson, Vancouver; fire insurance restricted to the province of British Columbia.

Northwestern Mutual Fire Association; N. B. Whitley, Vancouver; fire insurance restricted to the province of British Columbia.

The Preferred Accident Insurance Company of New York; J. W. Mackenzie, Toronto; accident, sickness and automobile.

Security Mutual Casualty Company; F. A. Shaw, Winnipeg; employers' Liability and Workmen's Compensation, restricted to the issue of policies to Swift-Canadian Company, Limited, and allied interests in the Dominion of Canada.

Vulcan Fire Insurance Company of Oakland, Cal.; T. W. Greer, Vancouver; fire.

Extensions of Business.

The following companies received licenses from this department for the class or classes of business shown below in addition to the classes for which they had been previously licensed:—

Canadian Companies.

British America Assurance Company; automobile.

The Dominion Gresham Guarantee and Casualty Company; plate glass.

The Guardian Insurance Company of Canada; fire.

The North American Accident Insurance Company; automobile, burglary and insurance of automobiles against fire.

The Western Assurance Company; automobile.

British Companies.

Employers' Liability Assurance Corporation, Limited, hail and plate glass.

General Accident Fire and Life Assurance Corporation, Limited, hail.

Foreign Companies.

Equitable Fire and Marine Insurance Company; automobile (excluding insurance against loss by reason of bodily injury to the person).

National Fire Insurance Company of Hartford; insurance of automobiles against loss or damage resulting from the hazards of navigation and transportation and from collision with any stationary or moving object.

Niagara Fire Insurance Company; explosion.

Northwestern National Insurance Company of Milwaukee, Wis.; automobile.

Modification or Curtailment of License.

The Dominion Gresham Guarantee and Casualty Company, which had held a license authorizing the company to transact amongst other classes of insurance the business of guarantee insurance, has at its own request had its license for this class modified so as to exclude the guaranteeing or becoming security for the due performance of any contract, but retaining the other features of guarantee insurance.

The Saint Paul Fire and Marine Insurance Company which had held a license authorizing the company to transact amongst other classes of insurance the business of hail insurance has upon its request been granted a new license for all the classes of insurance for which it was previously licensed except hail insurance.

Withdrawals.

The following companies, having reported that they have no policies in Canada, have made application for the release of their deposits:—

1. The Automobile Insurance Company of Hartford, Conn.
2. The Ætna Casualty and Surety Company.

FIRE PREVENTION LEGISLATION REQUIRED

Time for Academic Discussion of Fire Waste Past, Time for Definite Legislative Action Has Arrived

By George Gilbert

While the public in Canada has begun to grasp the fact that our gigantic and increasing loss by fire—the highest per capita in the world—cannot but seriously affect the economic future of the country, the fire prevention movement will never get anywhere until definite preventive measures are adopted and put into force by the exercise of the powers of the Dominion government, the provincial governments, and the municipalities.

It is becoming painfully apparent that all our elaborate and expensive fire fighting equipment and our highly efficient fire brigades—costing annually $1.43 per capita,—as compared with 21 cents per capita in Europe—are not preventing the steady growth of fire losses.

There is also a growing tendency to realize that fire insurance does not restore the property destroyed by fire—the values in fixed capital so destroyed are gone forever—but merely absorbs, by means of the fire insurance premium tax levied over a wide area, sufficient of the country's floating capital to repair the damage done. The measure of this tax is the amount of the fire loss. If the fire loss is high, the fire insurance tax must also be high. In Canada the insurance tax averages $1.18 per capita, as compared with 26 cents per capita in Europe.

Significant for Future Development.

The folly of permitting this country to continue under such a tremendous handicap in its efforts to hold its own with the older nations in after-the-war trade will be admitted by every person who gives the matter any thought. But the question is asked: Is it possible to remove this handicap? Is not this high per capita fire loss inevitable in a young country like Canada? A little study will show that it is quite possible to solve our national fire waste problem by the adoption of compulsory measures which will reduce the fire hazards in all communities to a reasonable minimum, and will thus prevent fires from happening.

For such a long time, however, had this enormous annual fire waste been taking place that the public were beginning to look upon it as a matter of course; but the war, which has opened the eyes of the reckless people of this country to the need of conservation in other things, has also brought an awakening on the part of many to the fact that a large proportion of this fire waste is needless and that definite steps should be taken to stop it.

It is argued that you cannot change the careless and extravagant habits of an entire people by legislation, but it may be pointed out that it is not necessary to change the habits of any large number in order to cut the fire waste in half. When it is realized that the great bulk of the fire loss occurs among a very small proportion of the people, it will be understood that the problem of dealing with the question is really confined within comparatively narrow limits. The carefully-kept records of the Commission of Conservation show that during the first ten months of 1918, although 15,927 fires occurred, entailing an aggregate loss of $28,443,000, over $22,650,000, or 78 per cent., of that loss was caused by 234 fires.

Preventive Legislation.

It is well to dwell upon the significance of these figures. The small number of 234 risk owners or occupants, by having fires in their premises, caused a loss to the people of this country in ten months of over $22,000,000. That such a small percentage of the population should be permitted to go on penalizing the entire country to this gigantic extent year after year is certainly enough to indict us before the rest of the world as "a nation of careless spendthrifts."

When it is perceived that the problem of dealing with the great bulk of the yearly fire loss is brought within these narrow limits, there would seem to be absolutely no reason for not insisting upon the necessary safeguards which will protect our lives and property from needless destruction by fire. Careful analysis of the causes of fire has demonstrated that over two-thirds of all fires that occur are easily preventable.

Laws to enforce personal responsibility for the happening of fires are essential if we are to do away with preventable fire waste. Every building in Canada can be made at least reasonably safe from the danger of fire, and the personal obligation to make it so must be laid upon the proper parties. Individual carelessness and negligence must be penalized.

The enactment of legislation in each province to regulate and control all building construction in accordance with well-known and approved standards of structural safety is required, as well as laws punishing carelessness and protecting the community from its results, and making profit from the burning of property impossible.

A lot of law is not needed, but better law with at least a province-wide enforcement to replace the ineffective laws now administered by different departments of the provincial and municipal governments. Co-operation is needed to secure the establishment of uniform, definite and unvarying standards by each of the provinces of the Dominion.

FIRE LOSS CAUSED BY EXPLOSION

The cause of loss by fire has always been a difficult point in adjusting insurance claims and has frequently been the occasion for litigation. An instance recently came up in the province of Quebec where the Dragon Works of the Curtis and Harvey Company near Rigaud, were destroyed by a fire resulting from an explosion in August, 1917. This case just came up before the Supreme Court of Canada on December 16th. The company sued twenty-seven insurance companies who shared insurance totalling $620,000 on the property. The loss was stated to the $932,328.

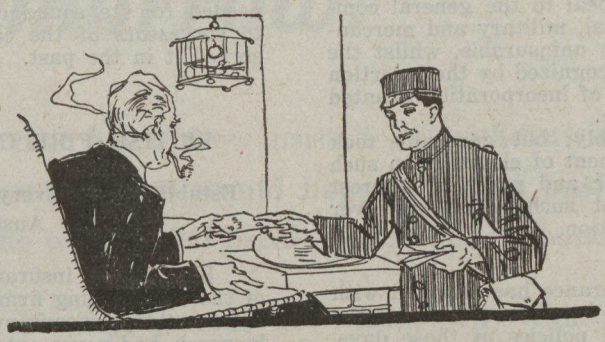
The insurance law in Quebec province provides that insurance company shall pay loss caused by explosion which causes fire unless the company specifically releases itself from this obligation by a clause written in the policy in different colored ink. This clause had been inserted in the policy issued by the North British and Mercantile Insurance Company. Council for the plaintiff, however, maintained that the variation in this case did not come in the Quebec Insurance Act, and that the whole contract merely meant that the insurance companies intended to relieve themselves of pay ing an explosion loss which was entirely independent of th fire and not an explosion loss when it resulted in the course of a fire.

LIFE INSURANCE TRANSACTED IN CANADA

CALENDAR YEAR, 1917 (Latest official figures)	Premiums for Year.	Number of Policies New and Taken up.	Amount of Policies New and Taken up.	Number of Policies in Force at Date	Net Amount in Force.	Number of Policies become Claims	Net Amount of Policies become Claims.	Claims Paid (including Matured Endowments.)	Unsettled Claims.	
									Not Resisted.	Resisted
	$		$		$		$	$	$	$
Canadian companies	34,638,717	135,145	172,703,621	744,239	996,699,292	11,633	13,183,223	12,632,802	2,875,457	101,332
British and Colonial companies	1,956,334	7,849	5,109,183	36,408	58,707,379	805	1,524,066	1,561,113	341,361	50,686
United States companies	18,292,667	354,754	104,145,626	1,681,102	529,725,775	19,565	7,470,501	7,245,838	823,358	131,163
Totals for 1917	54,887,718	497,748	281,958,430	2,461,749	1,585,132,446	32,003	22,177,790	21,439,753	4,040,176	283,181
Totals for 1916	48,093,105	457,668	231,101,625	2,183,382	1,423,179,632	27,441	20,259,534	18,719,677	3,472,534	288,163
Increase, *i*; decrease, *d*	*i* 6,794,613	*i* 40,080	*i* 50,856,805	*i* 278,367	*i* 162,952,814	*i* 4,562	*i* 1,918,256	*i* 2,720,076	*i* 567,642	*d* 4,982

ONE HUNDRED DOLLARS A MONTH

GUARANTEED FOR LIFE



Think what it will mean to be certain of a cheque of $100 each month right up to the end of life, when you consider that 97% of people in their later years are partially or wholly dependent upon others for support.

OUR PENSION PLAN

Guarantees that upon reaching age 60 you will receive a Monthly Cheque of $100.00 or more, as you may now decide—and this Monthly Pension will continue as long as you live. If you die, the Pension goes to any person you wish to benefit.

WHY NOT PENSION YOURSELF?

You can make sure of your personal independence and happiness by deciding on a definite financial programme for the future and arranging now for a Pension of at least $100 a month. A moderate amount deposited regularly with the Canada Life will secure this Monthly Pension for you.

CANADA LIFE
ASSURANCE COMPANY

Home Office
TORONTO

Canada Life Assurance Company, Toronto:

Dear Sirs—Without obligation on my part, please send me particulars of your Pension Plan.

Name .....

Address .....

Age .....

UNMEASURABLE RISKS IN LIFE ASSURANCE

Liberality of New Life Policies as Compared with Old Policies —Companies Themselves Are Cause of Improvement

By R. W. Barton

Just as a conflagration is the Damoclean sword to fire insurance, so war and pestilence have been and to a large extent still are amongst the unmeasurable risks of life assurance.

In the early days of the nineteenth century when life assurance made its first serious appeal to the general community, officers and men of the naval, military and mercantile marine services were as a class uninsurable, whilst the dangers of epidemic disease were recognized by the insertion of protective clauses in the charters of incorporation granted by legislative authority at that time.

These clauses varied considerably; but generally took the form of power to postpone payment of claims upon such occasion. It is, however, of historic and practical interest that no record seems to exist that such relief was ever sought by any life assurance institution.

New and Old Policies.

Times change and that life assurance has changed with them is strikingly demonstrated by a brief comparison of the complicated and restrictive terms of policies of those days, with the clear and liberal contracts of to-day.

Early Days	To-day
No surrender value.	Surrender value guaranteed.
No loan value.	Loan value guaranteed.
Liable to forfeiture for travel, change of occupation, death by suicide, dwelling, or the hands of justice.	Free from all such restrictions from the moment of issue.
Claims only payable three months after proof of death and title.	Claims payable immediately upon proof of death and title.

And there are others, just as real if not so apparent. As for instance the introduction of beneficiary clauses and the simplification of legal titles.

Responsibility for Improvements.

This is indeed a great development and it is well to reflect a while—and especially so to-day—upon the causes that have inspired it.

Policy holders have ever been notoriously apathetic as to their own interests. It is doubtful whether any important change in the conditions of life assurance was ever inspired by any combination between them.

The general public have shown little interest in the subject except in the rare moments of exposure of some abuse of trust by an unworthy official.

The inspiration must therefore be sought either in the ranks of the companies themselves or the legislative assemblies that control them.

To those acquainted with the history of life assurance there is no question as to which of these is the source. The keenest intellects of both hemispheres have been attracted to life assurance by the possibilities of the subject, and stimulated by competition have developed and extended its benefits far beyond the expectation of the pioneers in the problem.

The attitude of the legislative assemblies, however, demands critical consideration.

Upon this continent especially, we find not only little of assistance in the past, but rather the introduction by legislation of insidious dangers that experienced life men contemplate with concern and regard as an unmeasurable risk of the funds committed to their charge.

Canadian Legislation.

In Canada the powers of directors are in fact limited to complying with various legislative enactments.

Investment of part of these funds in certain Canadian government securities has been made compulsory. This though a war time measure may be continued thereafter. The Minister of Finance publicly stated that in his opinion such a course would not be to the detriment of the companies.

Among other restrictions are the limiting of the rate of interest at which the liabilities of life companies shall be calculated and the fixing of prices at which their securities shall be valued for the official annual reports.

Should any of these conditions result, however, in damage or loss to companies and therefore to policy holders, no liability is to attach to the government.

A great readjustment of commercial as well as social conditions is under way. In some quarters the control and administration of life assurance affairs by the government is desired, but policy holders should be earnestly advised against this as an unmeasurable misfortune. They should rather fight for a complete control of their own interests and the removal of all restrictions upon the powers of those they appoint to handle them.

Let the government by all means compel publicity as to the affairs of these institutions. This is as a light in dark places; but to reduce the powers of directors to merely those of a government clerk drives from the service those most needed for its sound development and leaves no attraction to successors of the calibre of the men who have so ably served it in the past.

BRITISH FIRE INSURANCE IS PRE-EMINENT

Established in Every Civilized Country Except Russia, Austria and Germany

British fire insurance is pre-eminent in most quarters of the world, being firmly established with branch offices and important agencies in every civilized country. This influence, however, had never extended to Russia, Austria or Germany, in which countries it is forbidden to foreigners to directly operate in the matter of fire insurance. Two or three British companies were fortunate enough to obtain trading charters many years ago as special privileges, but the large majority have been rigidly excluded. Now, as it is the object of every insurance company to secure an average satisfactory result, it has been the practice of the British companies to undertake fire insurance in those countries by the only means open to them, namely, by way of reinsurance of the business undertaken by the native companies. In order to obtain this business, the British companies have been obliged to reciprocate by passing to the native companies a large volume of their own business. The business coming to British companies in this way has been almost exclusively native business, but the business passed by the British companies to those three countries has been insurance business from all other quarters of the world, including, of course, the United Kingdom.

Reinsurance Companies Only.

During the last forty years, coinciding with the remarkably rapid expansion of German commercial interests, this reciprocal reinsurance has exhibited an enormous growth, and there were at the outbreak of war no fewer than thirty-five German companies operating solely for reinsurance, of which no less than fifteen were established during the past decade. In 1904 there were only twenty of the present thirty-five German reinsurance companies in existence; in 1894 there were fourteen; in 1884, there were eleven, and in 1874, only six. In Austria, in 1914, there existed eleven reinsurance companies.

The combined premium income of these German and Austrian reinsurance companies in 1912 was over $45,000,000, and the losses sustained were less than $11,500,000.

Apart from these purely reinsurance companies, a large amount of reinsurance, probably exceeding the above figures, was accepted annually by some fifty German and Austrian fire companies, whose operations were not restricted to reinsurance.

Had it not been for the degree of financial disability imposed by the war, there can be little doubt that more British reinsurance companies would have been established to deal with the situation than has actually been the case. In the absence of such outlet for the large volume of business set free by the compulsory defection of the German and Austrian companies, the British fire companies have to a considerable extent met the exigencies of the situation by reinsuring each others' business.

The Canada Life Assurance Company has decided not to accept risks from parties over the age of 65 years. Their experience with risks in excess of this age has not been satisfactory It is also pointed out that other companies have experienced the same difficulty, and several have reduced their limit very much for insurance over 60. In the case of one large company it is $5,000.

Suppose your Partner Died to-morrow?

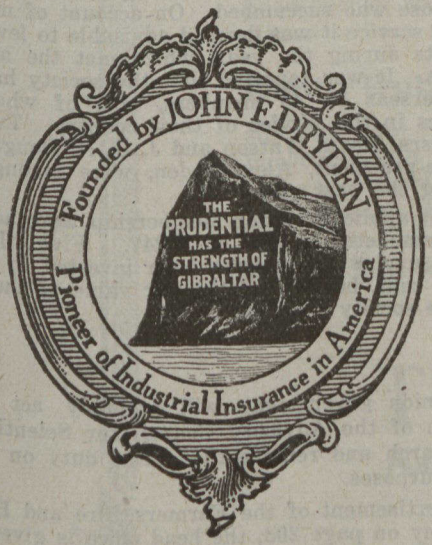
Suppose that his widow insisted on withdrawing his investment? What would happen to the business? Would the withdrawal break it, or could it continue?

Even if the capital were not withdrawn, what would it cost to replace his knowledge and his skill? Could the Company's finances stand the strain?

A Prudential Partnership policy on the lives of all the members of a co-partnership will guarantee capital to provide for stock withdrawals, to replace ability, to continue and extend the business.

It neutralizes the influence of human mortality.
And it is 100% business economy.

Ask any Prudential Representative for Particulars



The Prudential

Insurance Company of America

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DEATHS CAUSED BY VIOLATING THE LAW

Execution For Crime Cancels Policy—Court Also Holds That Death Resulting From Illegal Act Cancels Liability

By M. L. Hayward, B.C.L.

It is a universal provision of life insurance policies at the present time that if the assured should be legally executed for crime, then the company shall not be liable; but many policies also contain a provision that if the death of the insured should be caused by any criminal act on the part of the insured, then the company in such case would not be liable. In this connection the case of United States Bank and Trust Company vs. Switchmen's Union of North America, recently decided by the Pennsylvania Supreme Court, and just reported in the official report, is one which will repay a careful perusal.

In this case the policy in question contained a clause stating that no claim would be paid where the death of the insured was "caused by any criminal act on the part of the insured, or was brought on by any immoral or improper conduct."

Charles A. Wilson, the insured, at East Pittsburg, in the State of Pennsylvania, was heard to make certain threats against the life of the proprietor of a hotel in East Pittsburg; and an officer of the borough, because of the threats made by Wilson, placed him under arrest. Wilson resisted the arrest, and took the mace away from the officer and struck him on the head with it and knocked him down, rendering him unconscious. Wilson escaped. A few minutes after the attack on the officer by Wilson, the officer recovered, got assistance, and started in pursuit of Wilson and found him walking along the railroad tracks in the borough of North Braddock, an adjoining borough, and not very far from the place of the original arrest. The officer approached Wilson with a revolver in his hand and told Wilson he was under arrest. Wilson again resisted arrest, and struck at the officer with the mace, and the two clinched, and in the scuffle the revolver was accidentally discharged, and Wilson received a wound which resulted in his death a few minutes after it was inflicted.

The United States Bank and Trust Company, as guardian of the infant beneficiaries, then brought action on the policy, and the Switchmen's Union resisted payment on the ground that Wilson brought about his death by his criminal action in assaulting and beating the officer and in resisting arrest.

Held to be Criminal Act.

The decision of the court was in favor of the union, on the ground that Wilson's assault on the officer, under the circumstances, was a "criminal act" within the meaning of the policy. The following quotations from the judgment of the court, giving as they do the decisions in a number of similar cases, lay down the law so clearly on this point that they are quoted in full.

"Undoubtedly the officer had the right, under the circumstances, to arrest Wilson without a warrant. He had made a violent assault a few moments before, not only in the presence of the officer, but upon the officer himself, and had stolen the officer's mace, and retained it in his possession. Nor can it be doubted that an assault upon and battery of an officer, in resisting arrest, is a criminal act. The question here presented does not seem to have been directly raised in Pennsylvania, but it has been decided in other jurisdictions.

"In the case of Prudential Insurance Company v. Haley, it appeared that Haley and a companion robbed a man on the public street. An officer followed and attempted to arrest them. Haley fled, and the officer fired after him and killed him. In a suit on a policy on Haley's life containing a provision that, in the event of the insured dying in consequence of his own criminal action, the liability of the company should not exceed the amount of the premiums paid, it was held that recovery could be had only for the amount of such premiums.

"In Murray v. New York Life Insurance Company, where the insured was shot by a person whom he was assaulting, it was held that a provision in the policy exempting the insurer when death occurred in consequence of a violation of law prevented recovery on the policy, and that it made no difference that the shooting was accidental, and not voluntary or intentional.

"In Bloom v. Franklin Life Insurance Company, it was held that where the insured, while committing an assault and battery on a woman, was struck by her husband on the head and killed, he died while engaged in the known violation of law, and no recovery could be had on a policy exempting the insurer from liability for such death.

"In Wells v. New England Mutual Life Insurance Company, it was held that, under a provision in a policy similar to that in the present case, no recovery could be had against the insurer where the insured (a woman) died from the effects of an illegal operation.

"In the present case, it was not only the right of the officer to make the arrest, but it was clearly his duty to do so. Police officers would be of little use to society if they were not justified in protecting citizens from the assaults of ruffians. The testimony shows that Wilson not only resisted the arrest, but that, after threatening to kill the officer, he engaged in a violent assault upon him, striking at him with a club Clearly, this was a 'criminal act' and 'improper conduct' within the meaning of the constitution of the order, and the learned trial judge properly characterized it as such in his charge to the jury. That this criminal conduct upon the part of Wilson was the cause of his death is also apparent. He brought the result upon himself. While the shooting was not intentional, yet the officer would have been justified in shooting the offender had he found it necessary to save his own life, or protect himself from great bodily harm. Such improper or criminal conduct upon the part of the insured would naturally increase very considerably the risk of his death, and it might well be made the subject of exception to the liability of the insurer, as was done in this case."

COMMERCIAL MEN'S BENEFIT SOCIETY HOLDS ANNUAL

At the thirty-third annual meeting of the Dominion Commercial Travellers' Mutual Benefit Society, held in the Board of Trade Building, Montreal, on December 21st, elections of officers resulted as follows:—Honorary president, Charles Gurd; president, W. N. Ahern; vice-president, John McLellan; treasurer, F. S. Cote; secretary, J. F. Garrett; past president, Wm. J. Joyce; trustee, Maxwell Murdock, Charles Roberts, Romeo Brosseau, P. H. Burns, John Allen, S. S. Woodward, R. E. Matthews, E. E. Goodenough, Wm. Blanchard, W. B. Mathews.

Mr. W. N. Ahern occupied the chair, owing to the absence through illness, of Mr. Wm. Joyce. Reports presented were of a satisfactory nature. Both membership and finances were stated to be in good condition.

With deaths of 29 members reported for the year the death-roll was said to be abnormal. Many charter members were among those who succumbed. On account of members dying on active service it was deemed advisable to levy three war assessments during the year, which met the approval of the members. It was reported that the society had been represented overseas by 45 members, nine of whom had given their lives in the service of their country. Two past presidents, Messrs. David Watson and J. S. N. Dougall, and also an ex-vice-president, Alex. Peden, were among those who died during the past year.

Thirty-eight applications for membership were accepted, bringing the membership now to 1,247. Five thousand dollars of the surplus funds have been invested in city of Montreal 6 per cent. bonds, and the par value of the bonds now held by the society is $17,000.

The Dominion government will probably act on the recommendation of the Advisory Council for Scientific and Industrial Research and remove the excise duty on alcohol for industrial purposes.

In the advertisement of the Farmers Fire and Hail Insurance Company on page 203, the head office is given as at Lethbridge, Alta. This is a mistake: the head office is in the Maclean Block, Calgary.

The hearing of two big claims for fire insurance as an outcome of the explosion which wrecked the plant of Curtiss and Harvery "Canada" Company, Limited, near Rigaud, on August 18, 1917, was commenced before Mr. Justice MacLennan in the Superior Court on December 2nd.

Will Your Business Stop When You Stop?

A Policy for the Business Man When the principal of a business passes away, the heirs are often compelled to employ expensive talent to carry on the enterprise. Money will be required in any case, and it follows that the head of every firm should be insured for the benefit of his business, as well as for the protection of his household.

Partnership Insurance In numerous cases the business is carried on by the joint effort or capital of a number of men, each of whom contributes valuable service to the firm. The loss of any one of these would instantly be felt, and to obviate the monetary loss, at least, the company should have either a joint life policy on all the members or a separate policy in favor of the concern on the life of each member.

Two Policies that Protect There are two methods either of which will adequately protect a business from loss due to the death of a member of the firm. The first is a policy on the members of the firm collectively, the claim to be paid to the survivor or survivors on the occasion of the first death. The second method is that by which each partner is separately insured in favor of the company. The latter is more simple and avoids many complications.

A Valuable Asset Not only does such a policy protect the business from loss in the event of a partner's death, but during the currency of the contract, unless this be on the Term Plan, it has a continually increasing cash value. If necessary, a cash loan can be secured so that an emergency can be tided over or an advantageous investment could be made which would otherwise have necessarily been passed over.

Death Duties Finally, there is another consideration which makes the business insurance a frequent necessity, and that is the succession duties. Frequently a large estate is burdened with these charges at the time of the death of the testator, and cases have been known where securities had to be liquidated at a loss to enable the executors to make payment. A life insurance policy would have provided for the payment of such sums and would have made it possible to keep the estate intact.

Write for particulars of Mutual Policies.

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BOND INVESTMENTS AND LIFE INSURANCE

New Class of Bond Buyers Will Be Good Prospects—War's Contribution to Canadian Life Insurance

By Ira B. Thayer

In considering the effects of the war on life insurance, let us first look at present conditions in order that we may form correct opinions in reference to the future.

Now that the war is over and assuming that representatives from all nations when assembled may arrive at a settlement that will in future prevent a recurrence of the terrible scenes that mankind have during the last four years been compelled to witness the question with us naturally arises—what will be the future condition of the world at large and especially how will our own beloved Canada be affected?

Victory Bonds.

The fact that great numbers of the population of this country have recently subscribed to Victory Bonds which are usually paid for by instalments is a very practical illustration that many of those same people can well afford to purchase life insurance, the premiums for which may be paid either quarterly, semi-annually or annually. It is not unlikely that for the next few months some of those who have subscribed for Victory Bonds will require about all the funds they have in order to meet maturing instalment obligations, but these conditions will soon change and the habit of saving which they have acquired will lead them to seek new forms of investment. As nothing better than life insurance can be obtained, if intelligently presented, it cannot fail to be favorably considered. Therefore, Victory Bond purchasers are good prospects for life insurance.

For the Man of Good Income.

However, there is another class to whom the foregoing does not apply. I now refer to the average business man who is in receipt of a substantial annual income and who has corresponding financial obligations. To men of this class life insurance is an absolute necessity, for in the event of their death, their affairs must surely pass into other hands—this is as inevitable as death itself and unless there is available ready money sufficient to discharge maturing obligations, it will be found necessary for the heirs to dispose of holdings that otherwise should have been used for their maintenance. There is a considerable proportion of every business man's estate that is not revenue producing. Therefore, in the event of a man's death, it requires a large estate to produce an income sufficient to maintain his family in the same condition as he himself did when living. By a single stroke of the pen such a man can by life insurance create an estate as large as he wishes, and the funds will be available when most required. Business men are blind to their own interests and to that of their families and also to their business associates if they do not take advantage of the opportunity which life insurance offers, as it is absolutely the only way of making sure that their interests are fully protected. No man who has taken life insurance in a regularly organized old line life insurance company in this country has ever lost his money. This can be said of no other class of business; therefore, this is an additional reason why life insurance as an investment should be favorably considered.

For the Wealthy.

There is also still another class to whom life insurance latterly is proving very attractive. I now refer to those who are very rich men. It is currently reported that an increasing number of this class is taking on large life policies that will at their death provide funds to pay succession dues and other similar obligations and thus do away with the necessity of placing on the market large blocks of securities which perhaps may be sold at a sacrifice.

Restoration of France and Belgium.

We are now assured that the destruction of property in France and Belgium must quickly and as far as possible be restored, and the cost of same must be borne by Germany and her allies, but the materials and equipment for the rebuilding and restoration of that which has been destroyed are not to any large extent available in Europe. Therefore, the supply will likely come from America. Timber, structural steel and a thousand other things must come from here. Machinery for the re-equipment of factories and agricultural implements for land cultivation, also all other kinds of machinery—enough to keep our factories busily employed for years to come. There will be vast quantities required of wheat and other grain, also cattle and other food products urgently needed to keep the inhabitants of Europe from starving.

One can readily see to meet the demand thus outlined will tax the resources of America for the next few years to the utmost capacity. Consequently, abounding prosperity is sure to follow in this country. That I am not alone in my opinion in regard to this matter, I quote from a remark said to have been made by Dr. Jeremiah W. Jenkes, research professor for the United States Government at New York University (Columbia). It will be noted that this gentleman is an international authority on economic questions. He recently expressed these views—"that America's problem of reorganization on a peace basis would prove to be even more stupendous than its organization for war purposes. One of the principal questions that would press for solution is that of the distribution of the world's war material of which the United States possesses a great share will be taxed to the utmost limit."

Immigration Is Assured.

We may assume for the next few years a considerable number of the returned Belgian and French soldiers will be profitably employed in the rebuilding and the restoration of property that has been ruthlessly destroyed. Meanwhile we are assured that Germany and her allies will be compelled to bear the expense, but the time will come when this work will be accomplished and the nations of the world will again settle down to normal conditions. However, it goes without saying that the vast and unparalleled expense of the war for which all nations are now obligated, and for which their bonds are now outstanding, must be paid. To provide for these outstanding obligations, especially in European countries, a higher rate of taxation will be required from the inhabitants and thus must of necessity prove an almost intolerable burden. Hence eventually we are sure to see a tide of immigration come to America from Europe that will greatly increase our present population. It is well for us to remember that this continent (comparatively speaking) is but recently discovered; hence it is now but partially developed. There is still plenty of room for all that may come. Millions of acres of land that now lie dormant will during the next few years be brought under cultivation, and will yield bountiful harvests, and the vast resources of our forests, mines and water powers will also be developed and towns and cities will take the place of what at present are mere hamlets, and business of all kinds will flourish.

Life Insurance.

Amidst abounding prosperity we may confidently expect the life companies of Canada and the United States will take a leading position, for the conditions in their favor are exceptionally good. Here life and property are safe, and the laws of our country afford ample protection to policy holders; and the rates of interest obtainable for money are higher than in any other part of the world, while the same conditions with regard to security exist.

It is a subject well understood by those well familiar with the life insurance business that one of the chief sources of revenue is that derived from interest on investments. Therefore, on a given sum invested, the rate of interest received determines the amount of profit to be derived therefrom. On account of the future development of our country, the demand for money will be sufficiently great to keep the rate of interest at or near its present high standard. We have recently received a practical illustration of this by the sale made by the Government of over $600,000,000 Victory Bonds, the large portion to run for fifteen years, and all to bear interest at the rate of 5½ per cent. Other equally sound securities, such as municipal bonds and first mortgages on real estate yield interest at 6 to 7 per cent.

It is a well-understood fact that, led by the German Emperor and the war party of Germany, the object was to conquer the whole world, and thus make the German race and the German language the predominant race and language of the world. Happily for us we now witness the utter failure of all their plans, but we see the British Empire consolidated and united as never before in the history of this great nation, and not only this, we see a state of harmony and friendship between the United States of America and Great Britain and her colonies that calls for thanksgiving and praise to Almighty God through whose blessing all this has been brought about; and wonderful to behold is the fact that the English-speaking race which Germany attempted to conquer and destroy has, through God's blessing, been united into a common brotherhood and has beyond all question become the predominant race of mankind. However, the French nation, on account of their sacrifice and heroic actions during

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the war, now share to a large extent in this honor and henceforth the English and French languages throughout the world will be the language of civilization and commerce.

Opportunity for Life Insurance Men.

It will be a source of deep regret if through lack of business enterprise our life companies do not take advantage of the golden opportunity that lies before them. It is not unlikely that on account of the numerous life companies engaged in the business that strong competition may arise between them, but competition is the life of trade. Therefore, we may expect an increase in volume, and we must not forget that the field for life insurance in America is at present but partially developed, and there is nothing to prevent our companies from extending their business into foreign lands, and the funds secured from policy holders may be brought back here where the rates of interest are high, thereby resulting to the benefit of all concerned; no matter how large the amount may be all can be easily employed in the development of the immense resources of our new country, and the present absolute security at high rate of interest will continue.

Of all the institutions in the land none are better calculated than life insurance to solve the problem which mankind must face, which first and foremost is to amply provide for the maintenance of those who are dependent upon them.

FATAL INDUSTRIAL ACCIDENTS, 1918

It will be noted that the accompanying table of industrial accidents in Canada deals only with fatal accidents. The practice in previous years of recording non-fatal accidents has been discontinued as the effort to compile this information in the past has been accompanied by many difficulties, and the results when obtained were of a nature so approximate as to be of little use for statistical purposes. The department of labor has to depend for its information chiefly upon provincial sources and the task of securing data on the same basis from all the provinces presented many problems. Even within the individual provinces the field has been divided between factory and mine inspectors, railway boards and labor bureaus and workmen's compensation boards, and much duplication; in many cases undetectable, in reporting non-fatal accidents resulted.

The tables of fatal accidents, while as complete as possible, are not exhaustive although the department continues to add to its sources of information. For information received relative to both fatal and non-fatal accidents, the department is indebted to a number of agencies, among which are: the Board of Railway Commissioners of Canada; the Department of Public Works and Mines, and the Workmen's Compensation Board of Nova Scotia; the Provincial Factory Inspector for New Brunswick; the Bureau of Mines of Quebec; the Workmen's Compensation Board, the Bureau of Mines, and the Chief Factories Inspector for Ontario; the Ontario Railway and Municipal Board; the Timiskaming and Northern Ontario Railway Commission; the Bureau of Labor and the Workmen's Compensation Board of Manitoba; the Chief Factory Inspector and the Chief Inspector of Mines for Alberta; the Workmen's Compensation Board and the Department of Mines of British Columbia.

INSURANCE ON LEASED PROPERTY

A Toronto man who had leased some machinery from the Toronto Type Foundry Company, recently took out an insurance policy upon it. It was a condition of the lease that the lessee should insure the property. The property was destroyed by fire. When the claim for insurance was entered, the company, the Alliance Assurance Company, declined to pay the insurance, first because the insurer did not disclose the actual interest he had in the machinery, that is, he did not state that he was the owner of the machinery; and second because there was prior insurance on the machinery which fact likewise was not disclosed.

The first judgment was reversed, the court finally holding that the company granted a renunciation of the condition which compelled the insurer to declare his actual interest in the machinery. This was proved by the production of a receipt-form for the amount of the claim. The fact that the insurer also had no knowledge of the fact that the actual owner of the machinery had taken out a prior policy of insurance.

FATAL INDUSTRIAL ACCIDENTS IN 1918 (with Comparisons.)

(Figures compiled by Department of Labour, Ottawa).

Industry or Occupation	1916		1917		Nine Months of 1918										
	Total	Percentage of Total	Total	Percentage of Total	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Total	Percentage of Total
Agriculture	59	6.2	40	3.4	.....	3	3	2	2	6	3	7	1	27	4.0
Fishing	14	1.5	24	2.0	.....	.....	.....	.....	1	4	.....	.....	.....	5	.7
Lumbering	58	6.1	156	13.0	5	6	2	7	11	7	14	9	1	62	9.0
Mines, Smelters, and Quarries	159	16.7	235	20 0	89	8	6	4	4	6	11	13	24	165	23.8
Railway, Canal & Harbour Constr'n	8	.8	13	1.1	.....	.....	.....	.....	.....	.....	1	1	1	3	.4
Building and Construction	55	5.8	64	5.4	1	2	2	3	1	2	6	14	7	38	5.5
Metals, Machinery, and Conveyances	95	10.0	123	10.3	6	.....	8	6	8	18	13	9	10	78	11.2
Woodworking Trades	5	.5	7	.6	1	1	1	.....	.....	1	1	.....	.....	5	.7
Pulp and Paper Mill	.....	.....	24	2.0	2	2	3	2	3	1	1	.....	.....	14	2.0
Printing and Publishing	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Clothing	.....	.....	2	.17	.....	.....	.....	.....	.....	.....	1	.....	1	2	.3
Textile	3	.3	2	.17	.....	1	.....	.....	2	1	.....	.....	.....	4	.6
Food, Tobacco, and Liquor	35	3.7	16	1.3	.....	2	2	3	2	.....	1	11	3	24	3.4
Chemicals and Explosives	.....	.....	26	2.2	4	2	2	3	2	1	4	3	5	26	3.7
Leather	5	.5	2	.17	2	.....	1	.....	.....	.....	.....	.....	.....	3	.4
Steam Railway Service	252	26.5	262	22.0	29	18	11	10	6	11	15	13	17	130	18.9
Electric Railway Service	5	.5	10	.8	.....	.....	.....	2	1	.....	.....	2	.....	5	.7
Miscellaneous Transport	51	5.4	45	3.8	4	6	2	1	.....	3	4	3	5	28	4.0
Navigation	25	2.6	53	4.5	.....	.....	1	1	.....	2	.....	.....	.....	4	.6
Public Utilities	.....	.....	29	2.4	.....	2	2	4	3	2	1	2	6	22	3.2
Public and Municipal Employment	5	.5	20	1.7	1	1	.....	.....	5	.....	3	.....	1	11	1.6
Miscellaneous Trades	80	8.4	42	3.5	4	5	6	1	1	2	5	8	5	37	5.3
Unskilled Labour	36	3.8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	950	100	1,195	100	148	59	52	49	52	67	84	95	87	693	100.0

1564 In this year Queen Elizabeth granted two Charters giving License to search for minerals in "The Mines Royal" and "The Mineral and Battery Works," and in

1710 these societies amalgamated under the name of the "Court of Assistants of the Mines Royal, Mineral and Battery Works." In

1717 these Charters were purchased by the Mercers' Hall Marine Company which carried on Marine Underwriting until

1720 when, on receiving a Royal Charter from His Majesty King George I., it changed its name to the

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ROYAL EXCHANGE BUILDING
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FIRE WASTE IS INCREASING

Large Percentage of Losses Occur in Large Business Properties

The December bulletin of the Commission of Conservation again draws attention to the excessive fire losses in Canada. A statement of these losses for the present year will be found in this section of *The Monetary Times Annual*. The bulletin proceeds:—

Fire waste in Canada is increasing by leaps and bounds. During the first ten months of 1918 the value of property destroyed by fire was 45 per cent. greater than during the same period of 1917 and almost 70 per cent. greater than in 1914. From January 1st to October 31st, 1918, no less than 15,927 fires were reported, the aggregate loss being $28,443,200. On the basis of these figures it is reasonably certain that the total for the year 1918 will exceed $34,000,000. For the whole twelve months of 1917 the losses were $25,000,000. If, to the direct fire loss, there be added the expenditure upon insurance and municipal protection, fires will have cost the people of Canada the vast sum of $65,000,000, or more than 10 per cent. of the recent Victory Loan. Faced by economic problems of unparalleled gravity, can we afford to be indifferent to this tremendous drain upon our national wealth? If not, what steps are being taken to remedy the condition?

In six of our provinces fire marshal laws have been enacted and departments established to prevent fires. In two provinces, official leagues, with hundreds of members, have been formed to spread abroad the gospel of fire prevention. The organized insurance interests, including over 10,000 agents, claim to be doing their utmost to improve conditions, and in every city, town and village of importance throughout the Dominion fire brigades are maintained to extinguish fire. The question naturally arises, What tangible results are being obtained for the $30,000,000 annually spent upon the services of this organization?

Attempts at Prevention Ineffective.

All our attempts to prevent fire waste in Canada have been ineffective because there is lack of concerted plan of decisive action. The problem of fighting fires is analogous to the problem of beating the Hun. Success lies in the mode of attack. At the present time, suspicious fires are being investigated, fire departments are subjected to a great deal of unmerited criticism for fires they cannot control, municipal authorities in general are pilloried for their laxity in enforcing local ordinances, and the newspapers are being flooded with articles designed to enlighten the public upon the obvious dangers of women kindling fires with coal oil and children playing with matches. Such campaigns of education are, at best, a trench warfare, aimed at wearing down public indifference. Whatever their effect in the future may be, their immediate results are imperceptible.

Canadian Fire Record.

The frequent statement that Canada's fire loss exceeds that of other countries because of our ignorance of fire dangers and incendiary tendencies is open to proof. What are the facts? Analysis of the fire waste during the first ten months of 1918 shows that, although 15,927 fires occurred and entailed a total loss of $28,443,200, over $22,650,000, or 78 per cent., of that loss was caused by 234 fires. The actual figures for the ten-month period from January 1st, 1918, to October 31st, 1918, are as follows:—

		Total loss.
Number of fires	15,927	$28,443,200
Fires above $10,000	234	22,654,500
Manufacturing	108	13,371,000
Mercantile	99	8,339,000
Miscellaneous	27	944,500
Fires above $100,000	62	16,787,000
Manufacturing	33	10,320,000
Mercantile	24	5,850,000
Miscellaneous	5	617,000
Fires above $10,000 in manufacturing risks:—		
Metal workers	24	5,060,000
Woodworkers	27	2,957,000
Food products	19	2,193,000
Textile products	18	815,000
Miscellaneous	20	2,346,000

The significance of this statement is clear. Through the negligence of 234 owners and occupants of property the eight million people of Canada are being burdened with a fire loss of over 22,000,000 in ten months and stand indicted before the rest of the world as a nation of careless spendthrifts. While 70 to 80 per cent. of Canada's annual fire loss is due to fires in manufacturing plants and business establishments, the time, thought and energy spent upon teaching fire prevention in public schools comes dangerously near to being misdirected. Any education to be effective must be directed toward the real offenders—the owners and occupants of property whose revenues are augmented by neglect of the principles of fire protection, and who, through insurance channels, silently capitalize their evasion of public duty.

The only way in which fire waste conditions in Canada can be remedied is by the enforcement of personal responsibility. We may install waterworks, buy fire engines, maintain firemen and establish elaborate insurance schemes from now till eternity, but fire losses will continue to increase in exact ratio to the growth of our national wealth. The greater the responsibility accepted by the community for fire protection, the less responsibility is recognized by every individual in the community. That is fundamental. There is no mystery in preventing fires. Every building in Canada can be made reasonably, if not absolutely, safe, and the means of doing it may be learned for the asking. The personal obligation cannot be discharged by the process of insuring nor escaped by pleading defective building laws, indulgent inspection departments, inefficient fire brigades and other scapegoats of individual carelessness. The property owner who insures to cover his own neglect is gambling with the Canadian public, and if the game goes against him he should be made to bear at least a proportion of the loss.

The farmers in municipalities under the Saskatchewan Hail Insurance Act will be paid 80 per cent. of their losses this year. This was the percentage decided upon at a meeting of the Saskatchewan Municipal Hail Insurance Association held in Regina recently. The total hail losses were estimated at $1,300,000, and the amount to be paid out will be about $820,000 or $830,000. The losses this year were in excess of the revenue, so that claims will now be paid on the basis of $4 per acre instead of $5 per acre.

FIRE INSURANCE TRANSACTED IN CANADA

CALENDAR YEAR, 1917 (Latest official figures)	Net Cash received for Premiums	Re-insurance and return Premiums	Gross Cash received for Premiums	Gross amount of policies new and renewed	Net amount at risk at date	Net amount of losses incurred during the year	Net amount paid for losses	Unsettled Claims	
								Not resisted	Resisted
	$	$	$	$	$	$	$	$	$
Summary									
Canadian Companies	4,895,843	4,310,758	9,206,601	819,328,851	698,047,897	2,499,145	2,411,791	598,697	22,320
British and Colonial Companies	16,291,021	3,800,321	20,091,342	1,908,989,781	2,156,796,666	8,879,196	8,379,236	1,619,789	329,858
United States and other Companies	10,082,813	3,431,815	13,514,629	1,311,166,450	1,140,114,108	6,068,826	5,636,502	1,540,773	31,620
Totals for 1917	31,269,677	11,542,894	42,812,572	4,039,485,082	4,166,011,013	17,447,167	16,427,529	3,759,259	383,798
Totals for 1916	27,783,852	8,889,675	36,673,527	3,418,238,680	3,720,058,236	16,308,270	15,114,063	2,871,534	109,577

Reinsurance

Advice on reinsurance matters given.
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Directors:

Underwriter: WM. J. FOX.
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OFFICES:—
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Head Office: 25, Birchin Lane, E.C.3
Fire Dept.: 18, Birchin Lane, E.C.3
Marine Dept.: 24, Birchin Lane, E.C.3
Policy Dept.: 31, Lombard St., E.C.3
LIVERPOOL
28, Exchange Street East.
NEW YORK
3, South William Street.

LIFE COMPANIES IN THE LEAD

Leading Canadian Insurance Companies Compare Favorably With Those of Other Countries

A list of American and Canadian insurance companies, having assets over $1,000,000, has been prepared by the "Insurance Press" of New York, arranged according to the amount of assets possessed by each company at the end of 1917. The number of companies reporting assets of more than $1,000,000 each had increased to 451, being a gain of 24 over the preceding year. The total amount held by these companies reached the sum of $7,689,160,778. The first 22 companies in this list are the life institutions, the Home Insurance Company of New York, a fire insurance company, taking the 23rd place. The first purely casualty or multiple line company appears as number 57.

The grand total of nearly seven billions seven hundred million dollars of assets is divided among the different classes, as shown in the following summary:—

152	Life companies	$6,266,713,476
148	American fire and marine companies (including mutuals)	751,534,077
55	Fraternal orders	254,779,956
43	Casualty and surety companies	227,218,980
53	Foreign fire & marine companies	188,914,289
451	Total	$7,689,160,778

The following are the Canadian companies in the list, together with the number indicating the place which they take:—

	Name of company.	Assets.
15	Sun Life (Life)	$90,160,174
19	Canada Life (Life)	62,580,336
31	Mutual Life (Life)	31,770,688
35	Manufacturers Life (Life)	24,585,927
36	Great-West Life (Life)	24,385,666
37	Foresters, I.O. (Fraternal)	23,983,105
40	Confederation Life (Life)	22,329,534
50	North American Life (Life)	17,635,499
62	Imperial Life (Life)	14,283,845
99	London Life (Life, industrial and ordinary)	8,050,269
120	Canadian Order of Foresters (Fraternal)	6,539,087
121	Western (Fire)	6,472,515
151	Dominion Life (Life)	4,650,062
153	Excelsior Life (Life)	4,593,716
175	National Life (Life)	3,755,420
176	Soc. des Artisans (Fraternal)	3,750,694
186	British-America (Fire)	3,555,263
202	Northern Life (Life)	3,089,343
250	Continental Life (Life)	2,372,890
254	Canada National (Fire)	2,342,347
257	Crown Life (Life)	2,248,896
332	Sovereign Life (Life)	1,578,841
343	Canadian Fire (Fire)	1,516,466
372	Canadian Order Chosen Friends (Fraternal)	1,332,335
375	La Sauvegarde (Life)	1,311,492
406	Mount Royal (Fire and Plate Glass)	1,182,020

HALF OF SASKATCHEWAN HAIL ASSOCIATION LOSSES PAID

Approximately fifty per cent. of the money being expended by the Saskatchewan Hail Insurance Association on 1918 hail losses, has already gone forward to the farmers of the province.

About $824,000 it is expected will be paid out by the hail association in hail losses on this year's claims. This amount will be distributed to between 4,000 and 5,000 farmers. Roughly, cheques for $400,000 have already been sent out to approximately 2,000 claimants. The association commenced sending out cheques on November 15th.

German shipping interests are already preparing to resume business. A Montreal firm has received a letter from a Hamburg firm of ship brokers soliciting business, in case Canadian freight arrives at that port.

FUTURE OF SECURITY PRICES

High Prices and Low Yields is General Expectation—Important to Financial Institutions

The continual decline in bond prices from August, 1914, until 1918 brought forth a discussion as to what the movement would be after the war ceased. At first many financial men were of the opinion that the demands for capital on account of reconstruction and the exhaustion of money supplies through borrowings on war account, would result in high interest rates and low bond prices. The opposite view is now almost universally held in Canada and the United States and many instances have reached the "Monetary Times" during the past few weeks alone.

Hanson Brothers, of Montreal, emphasize the fact that at present prices there will be a strong demand for good securities. "At the moment," says Mr. William Hanson, "the market is practically bare of the better class of such securities. Investors knowing that present prices are abnormally low for such securities will undoubtedly invest to the limit in these high-grade bonds whenever they are available, and the result is almost certain to increase the premium on the Victory Loan issues, thereby enabling the provincial governments and larger municipalities to obtain better prices for any bonds they may decide to issue than has been current during the past two or three years."

F. B. McCurdy & Company, of Halifax, expect a gradual advance in prices. They say: "In our opinion, interest rates may be expected to decline moderately and gradually and prices of government and municipal bonds to advance in proportion during that period. We think that the cessation of government borrowing and expenditures for war purposes will result in a decline in the price of commodities and a slowing down in general business which usually influences lower interest rates. At the same time, we doubt whether interest rates will decline to former low levels. It is reasonable to anticipate a commercial contraction in due course after the declaration of peace, but its duration will depend largely upon the measures of preparedness initiated by our government to assist trade and industry from a war to peace basis.

"A wisely planned programme should create a demand for capital for reconstruction, refunding and replacement purposes and should facilitate conditions during the readjustment period. It follows that if reconstruction is to proceed in an extensive way, interest rates may remain on a higher level, longer than has been anticipated.

"Further, the volume of government bonds which have been and still have to be issued is large, and these must first reach the hands of permanent investors before the premium period arrives.

"Thus while we anticipate lower interest rates, and corresponding increased prices for government bonds, we think this change may not be as rapid as generally supposed."

A very similar view is expressed by Mr. W. A. Mackenzie, of W. A. Mackenzie & Company, Toronto. "It is my opinion," says Mr. Mackenzie, "that during the next year or two government and municipal securities will gradually rise in price with a corresponding reduction in that income yield.

"It is generally conceded by those best able to judge that we will, within a few months, experience a period in which there will be a large amount of idle capital and consequently low rates of interest. This alone would have a tendency to bring about higher prices, but in addition we have now in Canada a very much larger number of bond buyers than ever before, and the tendency among these I imagine will be to continue investing in good bonds rather than in other securities, or even allowing their money to lie idle in the banks. It is not likely there will be an over-supply of good securities, and there is also the possibility of a demand for Canadian issues arising in the United States."

Mr. Mackenzie refers also to the effect upon life insurance companies. "During the past four years," he says, "of war and uncertainty there has been a gradual decline in prices with a corresponding rise in the income yields. This lowering of market values has been a very unsatisfactory condition in so far as the life insurance companies' statements are concerned, but.I feel that during the next year or two there will be a very substantial recovery towards old prices and a consequent readjustment of value in the statements of the insurance companies."

An estimate of fire losses for 1918 will be found in the banking section of this issue.

The MONARCH LIFE
ASSURANCE COMPANY
Head Office, WINNIPEG

SECURITY and SERVICE

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J. T. GORDON,
Winnipeg.

Managing Director
J. W. W. STEWART

Vice-Presidents:
W. A. MATHESON & F. W. ADAMS
Winnipeg. Winnipeg.

Secretary & Actuary
J. A. MACFARLANE, A.I.A.

A RECORD OF GROWTH

YEAR	NEW BUSINESS	BUSINESS IN FORCE
1908	$862,500	$1,334,000
1911	$1,354,804	$4,006,145
1914	$2,241,107	$7,427,697
1917	$4,224,908	$11,507,761
1918	$5,000,000	$15,000,000

THERE'S A REASON WHY MONARCH AGENTS ENJOY THEIR WORK
LET US TELL YOU WHY

SOME MEN

give "reasons" why they have not taken out Life Insurance. In the great majority of cases these "reasons" are found to be but mere excuses.

There is scarcely a man living but needs Life Insurance.

The rich man needs it to protect his wealth; the man of moderate means, to ensure to others the comforts he himself now enjoys; the wage-earner needs Insurance as the only means within his reach of protecting dependent ones. The young man needs it as a sure way of saving money; and, the elderly find in a Life Policy a means of providing for declining years.

All find advantage in Life Insurance. It is wise, therefore, to avoid excuses for procrastination and arrange for Insurance while health and opportunity permit one to do so.

The Great-West Life Policies are widely known for their liberality and value. Premium rates are low, and the Profit Returns to Policyholders are remarkably high. Whatever type of protection is needed can be provided on most attractive terms by The Great-West Life. Personal rates on request. State age.

Over $170,000,000 is now in Force

The Great-West Life Assurance Company
(Dept. F.)

HEAD OFFICE - - WINNIPEG

Application for Agencies Invited

Leading Insurance Decisions in 1918

Important Points Established in Life, Hail and Employers' Liability—Company not Responsible When Land is Wrongly Described By Applicant—Mailing to Agent Constitutes Delivery of Policy, as it is Then Binding on Both Parties.

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

DURING the year 1918 the Supreme Court of Canada and the courts of the various provinces have decided a number of cases relating to the law of insurance, and a brief review of these decisions may not be out of place at the close of the old year and the beginning of the new.

Arnold vs. Dominion Trust.

In the life insurance field probably the leading decision was that of the Supreme Court of Canada in the case of Arnold vs. Dominion Trust Company, holding that a will, leaving the widow a certain specified sum out of the first money collected "on account of policies of life insurance" was not a sufficient "identification" of the policies to fulfil the requirements of the provincial acts "for securing to wives and children the benefits of life insurance," where the life insurance carried by the testator exceeded the amount bequeathed to the widow by the will. As this case was fully reported in the columns of *The Monetary Times* at the time the decision was handed down, a more extended account of the case is unnecessary.

Doherty vs. Canada National Insurance Company.

The case of Doherty vs. Canada National Insurance Company, decided by the Saskatchewan Supreme Court in January, was a case on a hail insurance policy, but which laid down certain important general principles. In this case one William Moir, a bank manager at Balcarres, was the Canada National agent, and Doherty applied to him for hail insurance on the crops growing on the north-east quarter-section 25, township 21, range 12, west of the second meridian. There was some dispute as to what took place when the application was signed, but by mistake the application was made for township 22 instead of township 21, in which Doherty's land was actually situated, and the policy when issued contained the same error.

Doherty's crops in township 21 were damaged by hail, and he brought an action for the amount of the damage and for the rectification of the application and policy by substituting township 21 for township 22.

The decision was in favor of the company on the ground that where an agent's duty is simply to solicit and forward applications, and an applicant carelessly gives him an incorrect description of the property, the policy is void.

"There can be no doubt that Doherty's land was erroneously described in the application," said the court. ("Does, however, the insurance policy incorrectly represent the contract which was actually concluded between Doherty and the company? The company, apart from any knowledge of the agent (Moir), had no knowledge that Doherty's land was other than as stated in the application. Had it any opportunity to state whether or not it would grant a policy on his land? Is, then, knowledge of the agent to be imputed to the company so as to make the company responsible? Under the circumstances, I cannot come to the conclusion that the knowledge of the agent was the knowledge of the company. The agent had no power to conclude a contract; he did not issue any interim receipt, but had power merely to receive and transmit applications, and, I assume, canvass for applications."

Canada Hail Insurance vs. McIsaac.

The case of Canada Hail Insurance Company vs. McIsaac, also decided by the Saskatchewan Supreme Court, was a case where the policy was issued by the company and sent to the local agent, to be countersigned by him and delivered to McIsaac without any conditions attached to the delivery.

The policy was duly countersigned by the agent, but was not actually delivered by him to McIsaac, as the agent did not find McIsaac at home when he called to deliver the policy.

The company then sued McIsaac for the premium note. The latter set up the defence that the policy had never been delivered; but the Saskatchewan Supreme Court held that the policy had been delivered as an operative policy so as to bind both parties.

"The evidence here clearly shows that the policy was mailed by the company to its agent, to be countersigned by him and delivered to McIsaac without any conditions attached. The policy was countersigned, and the result is that the company was clearly liable to McIsaac on the policy, and that there was, therefore, a consideration for the promissory note sued on," said the court.

Bontry vs. New Brunswick Mercantile.

In Bontry vs. New Brunswick and Mercantile Insurance Company, a fire policy was issued which, on its face, purported to be subject to the Alberta statutory conditions endorsed thereon. Then, after the policy was issued and before a loss occurred, the Alberta statutory conditions were changed, and the question was whether the new conditions or the old conditions endorsed on the policy itself would govern. The Supreme Court of Alberta held that the new conditions would govern.

Nova Scotia Tramways vs. Employers' Liability.

In Nova Scotia Tramways Company vs. Employers' Liability Company, the Nova Scotia Supreme Court held that a liability policy covering "loss from liability for damage to property of every description" protected the insured not only from damages for actual physical injury to a building, but also from damages which the insured was compelled to pay for loss of rent on the building.

Late Payment Valid in Fraternal Insurance.

The case of Belanger vs. L'Union Mutuelle, decided by the Quebec Court of Review, was a case in which a mutual benefit society was sued on a policy of life insurance. The rules of the society required that payments due should be paid promptly on a certain date, and the society set up the defence that the dues of the deceased member had not been paid according to the by-laws, but the court decided against the society, as it was proved that it had never enforced these by-laws and had established a custom to accept payments at any time from members in arrears.

"We say there is no violation," said the court. "The record shows that nearly every one of the members were at one time or another in arrears, and not one of them was ever suspended. There was no violation, then, because there was never any effort to enforce the rules. We say the association created a custom which became so generally prevalent and so well recognized that all the members believed and knew that even if they were in arrears their money would be taken any time they would pay, and gladly taken. Having created that custom, the association cannot now invoke a rule or regulation which, by that custom, is absolutely destroyed, and, in this way, escape liability under the conditions of its policy. During the whole time Bernier was a member of the association he paid his dues in arrears, which arrears were accepted by the association without objection. The agents of the association were instructed to collect arrears from the members, and one of the agents, a few days before the death of Bernier, collected arrears from him, which the association collected and retained. The association is bound by the custom which it created and followed, and Bernier, at the time of his death, was a member in good standing. The association never suspended him or notified him that he was suspended."

Cancellation of Fire Insurance Policy.

In the case of London and Lancashire Fire Insurance Company vs. Veltre, the company, by its policy, dated 15th June, 1916, insured "F. Veltre" for one year from 17th June

SIR EDWARD M. MOUNTAIN
Managing Director

FIRE *MARINE*

Eagle Star

AND

British Dominions

Insurance Company, Limited

OF LONDON, ENGLAND

Assets Exceed - - - $65,000,000

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TORONTO

FIRE *AUTOMOBILE*

to the amount of $1,500 against loss or damage by fire in respect of the stock of merchandise and store furniture and fixtures in her premises on Claremont Street in the town of Thorold. A cash payment of $22.50 was made.

The policy was by its express terms subject to the statutory conditions set forth in section 194 of the Ontario Insurance Act, R.S.O., 1914, ch. 183, providing that:

11. The insurance may be terminated by the company by giving seven days' notice to that effect, and, if on the cash plan, by tendering therewith a ratable proportion of the premium paid for the unexpired term, calculated from the termination of the notice, and the policy shall cease after such notice, or notice and tender, as the case may be, and the expiration of the seven days.

15. Any written notice to the assured may be by letter, delivered to the assured, or by registered letter, addressed to him at his last post-office address notified to the company, or, where no address is notified and the address is not known, addressed to him at the post-office of the agency, if any, from which the application was received.

On the 15th day of December, 1916, the company sent by registered letter, addressed to the assured at her proper street address at Thorold, a notice in the following terms:—

Dear Sir,—I beg to hand you enclosed herewith in legal tender the sum of $11.34, being the unearned premium for balance of the current term of Policy No. 10514765 of this company issued to you, dated June 17th, 1916, expiring June 17th, 1917, covering $1,200 on groceries, etc., all while contained in the three-story brick building, occupied as laundry, grocery store, hall and dwelling, situate as above, which is hereby cancelled, and this company will not be held liable should any loss occur after the 22nd December, 1918.

Yours truly,
ALFRED WRIGHT,
Manager.

Enclosed with the notice was $11.34 in legal tender to cover the ratable proportion of the cash premium paid for the unexpired portion of the term.

On the 25h day of December, 1916, during the absence for some days of the assured, a fire occurred by which the insured property was destroyed.

The assured had not, in fact, received the notice of cancellation, although it arrived at Thorold in due course of post. The assured was an Italian, married to one Sam Savino. According, it is said, to the custom of her people, she retained after marriage her maiden name of Veltre, but among the English-speaking people of Thorold, including the postmaster and his clerks, she was known only as Mrs Savino. Letters are not delivered at Thorold, but must be called for at the post-office. The assured's husband had taken a box at the post-office in his own name, although he himself was not in business, but, as the name of Veltre was not identified with him or his wife in the minds of the people at the post-office, no notice was placed in his box of the arrival of the registered letter. Under these circumstances, knowledge of the letter did not reach the assured or her husband until after the fire, when they were told by the insurance agent that such a letter had been sent.

Must be Received Before Loss Occurs.

In an action on the policy the company claimed that the mailing of the notice with the money to be returned operated as a cancellation of the policy according to its terms, relying upon the conditions set out above, but the decision of the Supreme Court of Canada was that the notice of cancellation required by condition 15 could be given by registered letter addressed to the assured, and that condition 11 was complied with by enclosing the unearned premium with the notice if the envelope contained the cancellation of notice and the unearned premium were properly addressed and registered; but that such notice and return of premium would not cancel the policy unless the notice and money were actually received by the assured before a loss occurs.

"For the reasons assigned by the learned chief justice of Ontario," said Mr. Justice Anglin, "I am satisfied that the tender provided for by the 11th condition is properly made if the amount of money to be tendered be enclosed with the notice of cancellation in a duly registered envelope properly addressed to the insured. I cannot place any other reasonable construction on the word 'therewith' in the 11th condition if that condition contemplates as I think it clearly does, that the notice of cancellation may be in writing, and the 15th condition applies to it. It certainly was not the purpose of the 11th condition, in my opinion, to impose compliance with the formalities of a strict legal tender on the company. 'Tendering' is used in the sense of 'offering presently to refund.'

"In considering from what time the seven days which are to elapse between the notice of cancellation and the determination of the policy are to be computed, the nature of the condition and the purpose for which the seven days are allowed must be taken into account. Rights, both of the insured and of the insurer, are expressed in the 11th condition. The latter is entitled to terminate its risk. The former is entitled to a reasonable period, fixed by the legislature at seven days, within which to protect himself, if he so desire, by procuring other insurance. The condition must, if at all possible, be so construed that these reciprocal rights shall be given fair and full effect. The insurer, solely for its own benefit, is allowed the option of giving the notice by making use of the post-office as its agent to convey it in lieu of making a personal communication of it to the insurer. If it selects the latter, which may be regarded as the normal method, the policy is determined only on the expiry of seven full days from the moment of communication to the insured of the intention to cancel. Can it have been intended that the company, by choosing to make use of the alternative method of giving notice through the mail, should be entitled in practically every case to lessen the comparatively short period which the legislature meant the insured should have in which to reinsure, and, in some cases, to deprive him of it entirely? That would be the necessary effect of holding that the seven days should be computed from the moment of depositing the notice in the post-office. I am satisfied that was not intended."

DAMAGES AND LIABILITY INSURANCE

Claims May Include Not Only Actual Damage, but Also Loss of Profits Resulting Therefrom

A case recently decided by the Supreme Court of Nova Scotia, wherein the Nova Scotia Tramways and Power Company brought suit against the Employers' Liability Assurance Company, turned on a rather neat point of insurance law.

In this case the Nova Scotia Tramways and Power Company was operating an electric railway in Halifax, and took out a policy in the Employers' Liability Assurance Company whereby the Assurance Company agreed to protect the Power Company from loss from the liability imposed by law upon the Power Company for damages on account of bodily injury suffered by any person or persons other than the employees of the Power Company, and an additional clause in the policy provided that it would "cover loss from liability for damage to property of every description."

The policy was duly issued, the premium paid, and then, one fine day, one of the Power Company's electric cars jumped the rails, and ran into and injured a store building and the stock of goods therein.

Liable for Loss of Profits?

It was admitted, and there was no dispute on this point that the Power Company was liable for the damage to the building and the goods, and also for the storekeeper's loss of profits from his business while the building was being repaired, and the Insurance Company admitted that it was liable for the damage to the building and the goods, but claimed that it was not liable for the loss of profits, so the question for the decision of the Court was whether the words of the policy, "loss from liability for damage to property of every description," would cover the loss of profits under the above circumstances, and the decision of the Supreme Court of Nova Scotia was that the Assurance Company was liable.

"It will not be denied," said the Chief Justice, "that if the Power Company became liable for damages on account of bodily injury sustained by a person injured on its electric cars it would be liable for all the damages sustained by that person by reason of his being incapacitated for work for a period of time. His incapacity to earn wages, or his inability to attend to his business, would be an element to take into consideration in assessing the damages for his injuries, and I do not see how it could be contended that the Assurance Company would not be liable to indemnify the Power Company for the whole of the damages the latter company was compelled to pay, including the portion awarded to the individual by reason of his inability to earn wages or attend to his business for the time being.

COMMERCIAL UNION ASSURANCE CO.

Limited, of London, England

The Largest General Insurance Company in the world

Capital Fully Subscribed	$ 14,750,000
Capital Paid-up	1,475,000
Life Fund and Special Trust Funds	73,045,450
Total Annual Income exceeds	57,000,000
Total Funds exceed	159,000,000
Total Fire Losses paid	204,667,570
Deposit with Dominion Government	1,323,333

(As at 31st December, 1917)

HEAD OFFICE, CANADA BRANCH

"Commercial Union Building"
MONTREAL

Toronto Office: 49 WELLINGTON STREET, EAST
Geo. R. Hargraft, General Agent

PALATINE
Insurance Company

Limited, of London, England

Capital Fully Paid	$1,000,000
Fire Premiums, 1917, net	2,896,395
Interest, net	142,130
Total Income	3,038,525
Funds	5,476,985
Deposit with Dominion Government	318,267

(As at 31st December, 1917)

In addition to the above there is the further Guarantee of the Commercial Union Assurance Company, Limited, whose funds exceed $151,500,000.

HEAD OFFICE, CANADIAN BRANCH—

"Commercial Union Building"
MONTREAL

Toronto Office: 8-10 WELLINGTON STREET EAST
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The Alberta = Saskatchewan Life Insurance Company

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The most progressive company in Canada. Operating under the supervision of the Dominion and Provincial Insurance Departments. Embracing the entire Dominion of Canada.

Salesmen Note

Our Accident and Health Policy is the most liberal protection ever offered for a premium of $1.00 per month.

Covers over 2,500 different diseases.

Pays for Five Years Accident Disability and Life Indemnity for illness.

Pays for Accidental Death, Quarantine, Operations, Death of the Beneficiary and Children of the Insured.

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Maritime Head Office, Higgins' Bldg., Moncton, N.B.

Company Must Pay All Claimed.

"In the same way, the Power Company in this case became liable to the storekeeper for not only the physical injury to the property, but also for the loss or injury incident to that physical injury, namely, the inability of the building to perform its usual functions while it is being repaired.

"If the Assurance Company is liable in the former case, I do not see why it is not liable in the latter.

"The policy requires the Assurance Company to indemnify the Power Company against loss for the liability imposed upon it by law for damage to property and part of that damage imposed upon it by law is due to the fact that the property is by the injury rendered for a time incapable for use to which it was formerly put.

"The Power Company has suffered a loss through, or by reason of, its liability for damages to the property and the whole of that damage was what the Assurance Company agreed to indemnify the Power Company against."

Resulting Loss as Well as Actual Damage.

Another Judge stated the same principle in the following words:—

"I think that the words of the policy may be fairly said to mean an undertaking to indemnify the Power Company against any loss which it may be legally liable to pay, by reason of its having, in the operation of its electric cars, accidentally damaged any description of property. The loss of profits in question, I think, clearly, the Assurance Company was liable to pay by reason of such damage. The words 'damage to property' in the policy, taking it as a whole, were intended, I think, as the equivalent of 'by reason of damage to property.' Bearing this in mind, and using the very words of the policy, the Power Company's liability for damage to property of a third party resulting from such an accident is not limited to the mere diminution in value of the property. It is liable as a tort feasor for the negligence of its servants and not as underwriters insuring the property damaged. And the Assurance Company undertakes to indemnify the Power Company against the whole loss of such liability and not a part of it."

HAIL INSURANCE IN ALBERTA

Results Have Been Extremely Satisfactory to Insurance Companies—Loss Ratio Only 17 Per Cent.

According to figures received from Alberta, the results for the season in hail insurance are very satisfactory. No company incurred losses greater than its premiums and the average ratio of losses to premiums was 17.1 per cent. The following are the figures as compiled by Mr. Nicholson, provincial superintendent of insurance, with the loss ratio for each company:—

Alberta Hail Insurance Premiums and Losses, 1918.

	Premiums.	Losses.	Loss per $100 premium.
British-America	$ 5,555	$ 717	12.91
British Crown	73,453	13,496	18.39
Canada Security	99,349	20,756	20.89
Connecticut Fire	79,206	12,673	16.00
Dominion Fire	6,715	1,745	25.98
Excess	69,660	10,223	14.67
Employers' Liability	72,064	12,077	16.76
Farmers' Fire and Hail	39,558	2,351	5.95
Great North	60,480	4,160	6.88
Hartford Fire	81,972	13,486	16.45
Home	169,128	22,957	13.57
Nova Scotia Fire	78,416	14,343	18.29
Rochester Underwriters	73,418	23,183	31.57
United Assurance Company	44,327	9,990	22.54
Westchester Fire	52,000	9,000	17.30
Western Underwriters	7,715	986	12.78
Winnipeg Fire Underwriters	44,220	8,681	19.63
	$1,057,236	$180,824	.....
Loss ratio			17.1%

Life insurance saves North America more than $30,000,000 a year in maintaining the poor and needy.

PRACTICAL RESULTS OF CO-OPERATION

Work of the Life Underwriters Association of Canada—How It Has Extended in Numbers and in Use

By J. H. Castle Graham.

The Life Underwriters Association of Canada is built upon the principle that underlies all democratic organizations, and which is the dominant force in developments of magnitude—co-operation.

The spirit of co-operation is inherent in all classes of men. It is essential to progress; and thus we see the Medical Association, the Bar Association, the Press Association, the Institute of Accountants, the Manufacturers' Associations, the Trade Unions, etc., ad infinitum. It is this spirit of co-operation that led to the formation of the Life Underwriters Association of Canada.

Brief Historical Sketch.

The honor of forming the first associations belongs to Quebec City and to Prince Edward Island respectively; these, although very excellent and effective, were only local in character. The Life Underwriters Association of Canada resulted from the issuance of a circular over the signature of the secretary, Mr. T. J. Parkes, of the newly organized body in Montreal. The circular evoked replies from all parts of the country resulting in a representative meeting of life agents being held in Toronto June 4th, 1906, giving birth to the Dominion wide organization. At the conclusion of the first year there were nineteen associations affiliated with a total membership of 335. To-day there are thirty-eight associations, including one in Newfoundland, with more than a four hundred per cent. increase in membership.

The motives and objects that actuated the early founders of the movement were indeed worthy. The chief aims were to raise the standard of life insurance salesmanship; to improve the morale of the "field force"; to protect the agents and the public against unscrupulous dealings of all kinds, and to cause legislation to be effected. Or according to the constitution, the principles of the association are "to promote good-will, harmony and co-operation among the agents of all life insurance companies, and to devise and give effect to measures for the protection of their common interests."

Auspices Favorable to Growth.

The pioneers of the movement laid a solid foundation and although many things have been accomplished of which they never even dreamed in the early days, care has always been taken to conform to the original "plans and specifications." All companies operating in Canada, whether American, British or Canadian, endorse the movement as "the most important development that has ever taken place in connection with field work of the life insurance business." In voicing this endorsation the president of one of the companies incidentally brings out some of the accomplishments of the association when he says:—"It has had a wonderful influence in elevating the ethics of the business, removing the bitterness of competition, substituting confidence and friendship where formerly was distrust and enmity, eliminating those who were unworthy of the profession and assisting and increasing the remuneration of those working along right and worthy lines, and has, moreover, raised every life insurance man in the estimation of his neighbors and of the public generally. And the good work is still going on. No wide-awake, high-principled life assurance man can afford to hold aloof from an organization which thus benefits and ennobles his calling."

To this can be added the endorsement of the Insurance Department at Ottawa and all provincial insurance superintendents as "it naturally meets with the cordial approval of insurance departments" and "has been a benefit to them."

It is this then that has made the work of the association successful and of real value. The agent reaps the benefit of rubbing shoulders with those of all companies engaged in the same business. It gives him information concerning his business; the acquaintance of his fellow professionals and a higher ideal as to what is fair in competition. This wider knowledge, greater appreciation, more intense application and clearer perception of his real duty in the business brings direct benefits to the companies and to the public.

Local Associations at Work.

In the thirty-eight most important centres of Canada there are local associations in affiliation with the parent organization. These associations hold regular meetings for which well-balanced programmes are arranged. Good speakers either from among the members or from outside are

BRITAIN

Tested again and not found wanting.

British Insurance Companies are made of the same stern stuff.

The Atlas Assurance Company of England, Limited, is British clear through.

The Atlas has carried on for One Hundred and Ten years.

Why experiment? Insist on having their policies.

SMITH, MACKENZIE HALL & HUNTER

Toronto General Agents

54 ADELAIDE STREET EAST
TORONTO, ONTARIO

The Imperial Guarantee and Accident

Insurance Co. of Canada

IMPERIAL PROTECTION POLICIES

ACCIDENT INSURANCE
SICKNESS INSURANCE
GUARANTEE BONDS
AUTOMOBILE INSURANCE
AUTOMOBILE FIRE INSURANCE
PLATE GLASS INSURANCE
ELEVATOR INSURANCE

WE PROTECT YOU AGAINST LOSS

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MONTREAL: Canada Life Bldg. WINNIPEG: Merchants' Bank Bldg. CALGARY: Canada Life Bldg.
VANCOUVER: Cramer & Co., Ltd.

Head Office:

Canada Life Building - - TORONTO

THE

Canada National Fire Insurance Company

HEAD OFFICE - WINNIPEG, CANADA

Authorized Capital - $3,000,000 Subscribed Capital - $2,050,400
Paid-in Capital - - $1,800,000 Assets - - - $2,450,000
Surplus to Policyholders, $2,150,000

BOARD OF DIRECTORS:

President: J. H. G. RUSSELL.
Vice-Presidents: LT.-COL. D. E. SPRAGUE. F. H. ALEXANDER.
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Andrew Gray, Victoria. Col. The Hon. A. C. Rutherford, K.C., Edmonton. Thos. S. McPherson, Victoria.

GENERAL FIRE INSURANCE BUSINESS TRANSACTED

AGENCIES;

TORONTO, ONT.—Lyon & Knowland.
VICTORIA, B.C.—R. W. Perry
VANCOUVER, B.C.—A. W. Woodard, Rogers Building
CALGARY, Alta.—Newton & Nowers
EDMONTON, Alta.—Allan, Killam, McKay, Alberta, Limited
REGINA, Sask.—Anderson, Lunney & Co., Limited
SASKATOON, Sask.—Willoughby-Sumner Co., Ltd.
General Agent, NOVA SCOTIA—A. J. Bell & Co., HALIFAX

A CANADIAN COMPANY INVESTING ITS FUNDS IN CANADA

secured to deal with subjects akin to the business, or of general interest. Discussions calculated to stimulate individual ideas take place, tending towards versatility and adaptability on the part of the members; two very important traits for life insurance salesmen. Joint meetings are often arranged with the Boards of Trade, Rotary Clubs and other organizations, resulting in better relationships being established and a fuller understanding of each other's aims and purposes.

On Active Service.

Life insurance has attributed greatly to the winning of the war in men and money and in holding the home line of defence. To life insurance belongs the Commander-in-Chief of the Canadian Armies, General Sir Arthur Currie; and such military leaders as Brigadier-General E. W. Wilson, in charge of the Montreal district, and the late Colonel W. C. Macdonald, commander of the Toronto district until he met his death in the discharge of his duties.

A roll of honor is in preparation by the Life Underwriters Association to which belongs the names of over 1,200 men. This is approximately eighteen per cent. of the entire field force of Canada and is a remarkable record in view of the fact that although many young men are being attracted into the business the great majority are past military age, or married men with family ties that prevented enlistment. Besides this number over five hundred have gone from the head offices of the Canadian companies, not including the vast number from the home offices of the American and British companies that operate in Canada.

While impossible to secure the rank of all these men, it is found from a survey of 516 names that there are among this number the commander-in-chief of the Canadian armies, two commanders of military districts, two colonels, five lieutenant-colonels, twelve majors, nineteen captains, one flight-commander and fifty-two lieutenants.

Holding the Home Line.

Those not able to join the forces have engaged in special activities, more or less of a patriotic nature, such as Victory Loan, Red Cross, Y.M.C.A., Catholic hut campaigns, etc., with marked success, so that life insurance can truly be said to have "done its bit." Life insurance requires a high quality of salesmanship and the training peculiarly fitted the men to carry on such work. Being already organized was also a decided advantage. As an example of the service rendered the case is cited in connection with the Red Triangle campaigns where the four teams of life insurance men in one of our large cities averaged in production just double the average of all other teams; and in the Victory Loan campaign where one agent alone sold over 850 bonds in straight canvass, and one team in Quebec captained by a life insurance man and made up largely of agents sold 1,869 bonds for $1,225,000 in two wards, being equal to 14½ per cent. of the taxable valuation of these wards.

Recognition of the work done in this way—often at great sacrifice as it must be remembered that agents operate on the commission basis—has been made by the Dominion Government, and also by those entrusted with the carrying out of the various campaigns.

Some associations, notably provincial organizations, have become incorporated, and have under their charter the right to confer the degree of chartered life underwriter (C.L.U.) on the fulfilling of certain requirements.

Popular Education.

One of the most important and far-reaching undertakings of the association is in the matter of education. This is divided into two departments; that of the public, and that of the agent.

With the object of acquainting the public with the true function of life insurance, newspaper campaigns have been conducted. In Saskatoon this takes the form of a page of "readers"; while in other centres display advertisements or articles on the financial pages are adhered to. The Life Underwriters Association of Canada is now preparing a country-wide campaign to be launched early in the new year with the object of benefiting the public and assisting the agents.

Courses in life insurance have been put on by Laval University and the University of Manitoba. This form of popular education is fast spreading until it is expected that in every university throughout the West there will be courses in life insurance given this year. Lectures have also been given before the students in normal schools, high schools as well as those of the public schools, to present to them the underlying principles of life insurance, since life insurance has become such a very important and essential part of the economic fabric of the country. In addition the subject of life insurance has been incorporated in the text books of many of the provinces, and the matter is now under advisements in the other provinces. Text books on life insurance have been issued by the National Association and are in wide use among our members.

Raising the Standard of the Profession.

Educational work in the interest of the agents themselves is also undertaken. The chief value, other than by the university courses and the newspaper campaigns, is gained through the local association meetings at which topics pertaining to all phases of the business are discussed; through the annual conventions held in strategic centres and attended by life insurance men from all parts of the country; and by means of the association's official organ, the "Life Underwriters' News," which is placed in the hands of every member. The "Life Underwriters' News" is a monthly publication issued from the office of the association under a board of six directors with the general secretary as managing editor. This paper is devoted solely to life insurance and exerts a wide influence.

An Influence in Legislation.

The first real work of the association was in legislation matters, and its active interest has been maintained both in surveillance of insurance enactments and in seeing that the laws are lived out in the practices of all insurance men.

Immediately the association was formed a circular letter was sent out from the office of the president to every life insurance man in Canada. The Royal Commission, which was then investigating insurance matters, saw the letter and issued an invitation to the association to appear before them and state their case. The association had already presented its views to the Banking and Commerce Committee, and after appearing before the Royal Commission the original bill was withdrawn and a new bill presented which eliminated many of the obnoxious features. The agents' presentation of their case was a largely determining factor in the ultimate framing of the Insurance Act, which is regarded as being the best piece of legislation of its kind in the world.

As a safeguard against unscrupulous and irresponsible dealings with the public license laws have been passed in the various provinces providing that every man who writes or solicits business must have a certificate of authority from the government. This makes it possible to punish any offenders, and thus prevent twisting, rebating and misrepresentation, assuring for the public fair treatment and good service. The unscrupulous agent has gone forever, to be replaced by men who know their business and are able to act as insurance advisors as well as salesmen.

The Future.

What the future holds for the association in way of new spheres of activities and usefulness remains to be seen. Welfare work would appear to be one thing that could be undertaken, as well as other forms of constructive educational propaganda. Life insurance men are masters in the art of presentation, and they come into intimate contact with the people to a greater extent than any other class of citizens engaged in any one particular calling. Whatever comes or whatever the future holds in store the life insurance men will be found to rise to the occasion and to perform their duty whether to the individual or the nation as the warrior who has won his spurs and tasted the glory of achievement.

WORKMEN'S COMPENSATION AND SUIT FOR DAMAGES

A case recently came before a court in Toronto where a workman who had, as a result of an accident, been drawing 55 per cent. of his wages from the Workmen's Compensation Board, also brought action against the party who he claimed was the cause of the injury. The plaintiff was driving a bread wagon with which one of the street cars of the Toronto Railway Company collided. The interest from the insurance point of view was whether, after receiving compensation from the board, the plaintiff could claim compensation from the railway. Counsel for the latter maintained that this could not be done. Counsel for plaintiff, however, said that it was no business of the defendant if plaintiff was entitled to anything from the board. Justice Latchford held that the plaintiff had a right to sue but that the damages should be reduced by the amount of compensation received. The judge said that the question raised was a new one and accordingly stayed judgment for thirty days to enable defendant to take the matter before another court.

THE SOVEREIGN LIFE ASSURANCE COMPANY OF CANADA WINNIPEG. MAN.

The Monthly Income Cheque Never Fails

It would not be possible for you to provide better for your wife or child than by leaving them a guaranteed Monthly Income. Your dependents would thereby be relieved of all financial problems and worries. Loss of the Capital would be impossible. Extravagance or unwise expenditures would be effectually checked. In short, no better method of smoothing life's path for those who trust and lean upon a man can be imagined.

To such a policy may be added our Monthly Income Disability feature, whereby, in the event of your being permanently disabled, not only would you have no more premiums to pay, but you yourself would begin to receive a substantial monthly income, without the insurance payable at your death being diminished in the slightest.

By means of these two main features combined in a single policy, you can thus secure perfect protection both for your family and for yourself.

Rates and full information upon request

The Sovereign Life Assurance Co. of Canada

Head Office, Winnipeg, Canada

An Increase in Business in Force of 34%

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Are two features of the successful record for 1918 of

THE WESTERN LIFE ASSURANCE COMPANY

Head Office - - - WINNIPEG, MANITOBA

We have one good provincial management open for a live insurance man. Communicate with

ADAM REID - Managing Director

INSURANCE IN QUEBEC PROVINCE

Companies Entering and Leaving Quebec During 1918, Under Provincial and Dominion License

The following companies secured licenses to do insurance business in Quebec province:—

The British Canadian Insurance Company of Montreal, licensed to transact the business of accident, sickness, automobile, employer's liability, plate-glass and burglary insurance.

La Nationale "La Compagnie d'Assurance Mutuelle contre le feu, de Montreal," licensed to transact the business of fire insurance on the mutual system.

La Compagnie d'Assurance Funeraire de Montreal, Limitee, licensed to transact funeral insurance in accordance with the provisions mentioned in 7 Geo. V., chap. 47, s. 1.

The Commercial Mutual Fire Insurance Company of St. Hyacinthe was changed to a stock mutual fire insurance company in conformity with Article 6860 and was licensed to transact the business of fire insurance on the mutual system and on the cash system on properties mentioned in its Act of Incorporation.

The Mutual Fire Insurance Companies formed by the municipal councils of:—

St. Antonin,
St. Jude,
Ste. Germaine du Lac Etchemin,
Notre-Dame de Liesse de la Riviere-Ouelle.

The Mutual Fire Insurance Companies formed by the parishes of:—

St. Come de Kennebec.
St. Elzear.

Dominion Licenses.

The following Dominion Companies were registered in the Province:—

The Union Insurance Society of Canton, Limited, registered to transact the business of fire, automobile, inland transportation insurance and marine insurance.

The Alliance Insurance Co. of Philadelphia, registered to transact the business of fire insurance.

The British Crown Assurance Corporation, Limited, registered to transact the business of fire insurance.

Maryland Assurance Corporation, registered to transact the business of accident and sickness insurance.

L'Alliance Nationale, registered to transact the business of life, disability and sickness insurance.

The North American Insurance Company, registered to transact the business of sickness, accident, plate-glass, automobile, burglary insurance and insurance of automobiles against fires.

British Traders Insurance Company, Limited, registered to transact the business of fire and automobile insurance.

Queensland Insurance Company, Limited, registered to transact the business of fire insurance.

Manufacturing Lumbermen's Underwriters, registered to transact the business of fire insurance.

Columbia Insurance Company of Jersey City, N.J., U.S.A., registered to transact the business of fire, inland transportation, automobile (excluding insurance against loss by reason of bodily injury to the persons),

Firemen's Insurance Company of Newark, New Jersey U.S.A., registered to transact the business of fire insurance and marine insurance.

Lumbermen's Underwriting Alliance, registered to transact the business of fire insurance.

The Fire Insurance Company of Canada registered to transact the business of fire insurance.

The following companies were granted extensions of their registrations as indicated below:—

Western Assurance Company, registered to transact automobile insurance in addition to fire, inland, transportation, lightning, explosion, tornado, inland and ocean marine insurance.

Hartford Fire Insurance Company, registered to transact hail and explosion insurance in addition to fire, inland transportation, cyclone or tornado, sprinkler leakage, inland and ocean marine insurance against loss or damage to auto by accident, burglary or theft.

London and Lancashire Fire Insurance Company, Limited, registered to transact automobile insurance in addition to fire, live-stock, accident, sickness and late-glass insurance.

British America Assurance Company, registered to transact inland and transportation and automobile insurance in addition to fire and hail insurance.

The Globe and Rutgers Fire Insurance Company, registered to transact the business of marine insurance in addition to fire and property against loss or damage by explosion (except upon steam boilers, pipes, fly wheels, engines and machinery connected therewith and operated thereby).

Foreign Marine Companies.

The following foreign marine insurance companies were registered to transact marine insurance in the Province, according to paragraph 5 of article 6941 of the R.S.Q. 1909:—

The Automobile Insurance Company of Hartford, Conn.
United States Lloyds Insurance Company.

Withdrawals.

The following companies withdrew from business in the Province since the date of last report:—

The Stuyvesant Insurance Company (Dominion license).
The Insurance Company of the State of Pennsylvania (Dominion license).

SASKATCHEWAN INSURANCE CHANGES IN 1918

Scale of Fees is Increased—Many New Companies Entered Field

During the 1917-18 session of the Saskatchewan Legislature, an act was passed amending the insurance act of the province. This amending act was assented to on December 15th, 1917, and came into force this year. It is brief and may therefore be quoted in full:—

1. Section 16 of The Insurance Act, being chapter 15 of the statutes of 1915, is amended by adding thereto the following subsection:—

"(2) When any of the documents referred to in this section have been filed with the registrar of joint stock companies under The Companies Act, they shall be deemed to have been filed in compliance with the terms of this section."

2. Section 18 is amended by adding thereto the following subsection:—

"(2) Before the renewal of the license of a company under this Act, proof shall be furnished to the superintendent that the requirements of The Companies Act with respect to the renewal of licenses have been complied with."

3. Subsection (2) of section 108 is amended by striking out the words "and on the presentation of such documents as are specified in The Companies Act" where they occur in the first and second lines.

4. Section 200 is repealed and the following substituted therefor:—

"200. Each company shall pay to the superintendent the following fees:—

(a) For recording and filing in the office of the superintendent the documents required by section 16 of this Act	$ 10.00
(b) For initial license to do business or renewal thereof:—	
(1) Life insurance, group (a)	200.00
(2) Fire insurance, group (b):—	
In case of underwriter's agencies	100.00
All other companies	200.00
(3) Hail insurance, group (c)	200.00
(4) Transaction of insurance under group (d)	100.00
Except companies underwriting plate glass insurance only which shall pay	50.00
(5) Transaction of insurance under group (e)	50.00
(c) For supplementary or additional license under section 15, one-half fee payable for additional group.	
(d) Mutual companies:—	
In case of provincial companies	25.00
In case of extraprovincial companies	150.00

Note.—For fees payable by friendly societies see section 92.

Certificates of authority:—

Each agent shall pay for a certificate of authority the following fees:—

In case of fire insurance:—	
In cities	$25.00
In towns	7.00
Elsewhere	5.00
In case of other classes of insurance	3.00
In case of mutual insurance companies	3.00

The Western Empire Life Assurance Company

Results Accomplished During 1918

Substantial increase in BUSINESS IN FORCE
Substantial increase in ASSETS
Substantial increase in REVENUE

Openings for a few good agents upon combined salary and commission basis.
Our new Policies with all the latest features—Best for the Agent to sell—Best for the public to buy.

Head Office: Winnipeg, Canada

WILLIAM SMITH,
Managing Director.

F. C. O'BRIEN,
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GUARDIAN ASSURANCE COMPANY
LIMITED
OF LONDON, ENGLAND

Capital Subscribed . .	$10,000,000
Capital paid up - . . .	5,000,000
Total Investments exceed .	40,000.000

Fire Insurance
at Moderate Rates

Head Office for Canada:
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H. M. LAMBERT, . Manager
B. E. HARDS, Assistant Manager

Toronto General Agents:
Messrs. ARMSTRONG & DeWITT, Limited
36 Toronto Street, Toronto

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION LIMITED
of LONDON, ENG.

Issues the most liberal :—

PERSONAL ACCIDENT
SICKNESS
EMPLOYERS' LIABILITY
WORKMEN'S COMPENSATION
AUTOMOBILE
BURGLARY AND
FIRE INSURANCE POLICIES
AND
FIDELITY GUARANTEE
CONTRACT AND
COURT BONDS

C. W. I. WOODLAND
General Manager for Canada and Newfoundland

Temple Building
TORONTO

Lewis Building
MONTREAL

The holding of a certificate for underwriting fire insurance shall ipso facto include all other classes."

New Companies.

The following is a list of companies which secured licenses to enter the insurance business in Saskatchewan during the year 1918:—

Arcola Mutual Hail Insurance Company, Arcola, Sask.
Alliance Insurance Company of Philadelphia.
British Crown Hail Underwriters, Limited, Regina, Sask.
Boston Insurance Company of Boston, Mass.
Farmers' Fire and Hail Insurance Company of Lethbridge, Alta.
Maryland Assurance Corporation of Baltimore, Md.
Mennonite Mutual Fire Insurance Company of Saskatchewan, Rosthern, Sask.
New Hampshire Fire Insurance Company of Manchester, N.H.
Queensland Insurance Company of Sydney, N.S.W.
Union Casualty Company, Winnipeg, Man.
United Assurance Company, Calgary, Alta.
Union Insurance Society of Canton, Limited, Victoria, Hong Kong.

Companies Retiring from the Field.

The following companies withdrew from Saskatchewan:—

Canada National Insurance Company, Limited, of Saskatoon, Sask., reinsured with Union Casualty Company of Winnipeg.
Western Canada Accident and Guarantee Insurance Company of Winnipeg, Man., reinsured with Union Casualty Company of Winnipeg, Man.
Middle West Insurance Company of Moose Jaw, Sask.

Companies Incorporated.

The following companies were incorporated in the province of Saskatchewan during 1917-18:—

British Crown Hail Underwriters, Limited, Regina, Sask.
Peoples Insurance Company, of Regina, Sask.
Universal Insurance Company, of Regina. Notice given of intention to apply for an act of incorporation in 1918.

INSURANCE IN ONTARIO

Legislative Amendments and Changes in List of Companies Doing Business

The following changes were effected in insurance in Ontario during 1918:—

Legislation passed during 1918 affecting insurance matters:—

1. The first legislation passed was a correction by striking out 78 (c) and inserting 78 (d) in section 78 (c) of the Ontario Insurance Act.

2. A provision exempting live stock insurance agents from the operation of section 99a of the Act, which provides for the licensing of all agents and firms transacting insurance.

3. Section 241 was amended by adding the following words:—

"Provided that when the amount of insurance in force exceeds $3,000,000 and the total assets of the company do not fall below 2 per cent. of the total amount at risk, the Superintendent may authorize the reduction of the fixed payment to one-eighth of one per cent. of the sum insured."

This affects weather insurance only.

The only company that was transferred from the Provincial to the Dominion Register was the Century Insurance Company, Limited.

New Companies in Province.

The new companies admitted to transact business in the Province of Ontario during the year 1918 are as follows:—

1. Alliance Nationale.
2. Boston Insurance Company.
3. British Traders Insurance Company, Limited.
4. Fire Insurance Company of Canada.
5. City of New York Insurance Company.
6. Lumbermen's Underwriting Alliance.
7. Manufacturing Lumbermen's Underwriters.
8. Maryland Assurance Company.
9. Old Colony Insurance Company.
10. Preferred Accident Insurance Company of New York.
11. Queensland Insurance Company.
12. Vulcan Insurance Company of Oakland, Cal.
13. Western Life Assurance Company.

INSURANCE CHANGES IN BRITISH COLUMBIA

Legislation to Reorganize System of Reporting Fires—New Companies in Business

In the province of British Columbia the principal changes in the insurance business during the year just closed was the passing of an act amending the British Columbia Fire Insurance Act. This act is known as the British Columbia Fire Insurance Act Amendment Act, 1918. It repeals Section 40 of the Insurance Act and substitutes therefor provisions to the following effect:—

Investigation into Fire Loss.

1. The chief of the fire department of every municipality in which a fire department exists and the principal municipal officer of other municipalities must promptly investigate fires which result in loss, and at the end of each calendar month must submit a report to the superintendent. The superintendent is to divide the remainder of the province into districts, called insurance districts, and appoint an investigator in each. The sum of $1 is to be paid to the person making the investigation. It is also to be the duty of every person to furnish such information as he can regarding the fire which has destroyed the property he owns or occupies.

2. Every fire insurance company must furnish the superintendent with a monthly report in the form provided by the superintendent; in the case of companies not licensed under the act, the report must be made by its adjuster and by the person insured.

3. In the case of a fire of suspicious origin a preliminary report must be made without delay. Upon receipt of such a report the superintendent may institute an inquiry regarding the cause of the fire. For the purpose of such an inquiry, the superintendent and those acting under his authority are to have powers such as are conferred by the "Public Inquiries Act."

4. If this investigation produces evidence sufficient to warrant a charge of arson, the superintendent must report to the attorney-general and furnish him with such evidence as he has. The tariff of fees payable to justices of the peace and to witnesses in the "Summary Convictions Act" applies to inquiries of this kind.

5. Sub-section 9, amending Section 40B, is rather important to insurance companies, and may be quoted in full:—

"Where any sum becomes payable under a policy of insurance by reason of a fire to which this section applies, the superintendent may, pending an inquiry under this section, permit payment thereof to be withheld for a period not exceeding ninety days from the occurrence of the fire, notwithstanding any condition in the policy or any statutory provision to the contrary."

Extensive powers are given to the superintendent and others acting under his authority to enter upon premises, etc., and effect such changes as may lessen the danger from fire. The owner or occupant, however, may appeal to the superintendent.

The superintendent is to keep in his office a statistical record of all fires reported to him or inquired into under the act. These records are open to public inspection.

Company Changes.

The following changes have taken place in the list of companies doing business in the province:—

Licensed under "Insurance Act": North American Accident Insurance Company, Montreal, Que.; Northwestern National Insurance Company, Milwaukee, Wis.; World Marine and General Insurance Company, London, Eng.; Equitable Fire and Marine Insurance Company, Providence, R.I.; Standard Marine Insurance Company, Limited, Liverpool, Eng.; Great North Insurance Company, Calgary, Alberta.

Licensed under "British Columbia Fire Insurance Act": North American Accident Insurance Company, Montreal, Que. (license limited to insuring automobiles against fire); Queensland Insurance Company, Limited, Sydney, Australia; Fire Insurance Company of Canada, Montreal, Que.

The National Benefit Life and Property Assurance Company, Limited, of London, England, obtained a Dominion license.

The North American Accident Insurance Company, of Toronto, Ont., ceased to carry on business, and its entire business was taken over by the North American Accident Insurance Company, of Montreal, above referred to.

Asked for His Reasons

for carrying Life Insurance with The Manufacturers Life, one of our large Policyholders cogently replied :

1st—"In case I do not accumulate a competence, or meet with reverses in business, I know my wife and family will not become objects of charity, as my Life Insurance will supply sufficient funds for their needs."

2nd—"Life Insurance is always the first asset realized on—so, if at my demise, the time is not opportune to dispose of my other assets, my executors will not need to sacrifice same to obtain ready money."

3rd—"It is the only way I can make absolutely sure of providing for my dependents."

4th—"It is the very essence of good business."

The Manufacturers Life
Insurance Company
Head Office : : Toronto, Canada

A BRITISH COMPANY

Union Insurance Society
of Canton, Limited

Established 1835

Head Office, : Hongkong

C. MONTAGUE EDE, General Manager

FIRE, MARINE HAIL, AUTOMOBILE

Losses Paid over	$100,000,000
Assets, including Allied Companies, over	30,000,000
Surplus to Policyholders	9,275,485

Manager for Canada : C. R. DRAYTON

Established 1865

British Traders Insurance Co., Limited

Agencies throughout the World

FIRE, HAIL, AUTOMOBILE MARINE

C. MONTAGUE EDE, General Manager

Assets, including Allied Companies, over $30,000,000

Manager for Canada : C. R. DRAYTON, Toronto

INSURANCE CHANGES IN MANITOBA

Payment of Life Claims—Companies Entering and Leaving Province

Very few changes took place in the insurance field in Manitoba in the year 1918. The only legislative change is a brief amending act, which may be quoted in full:—

1. "The Life Inurance Act," being chapter 99 of the Revised Statutes of Manitoba, 1913, is hereby amended by adding thereto immediately after section 15 the following section:—

15a. "The bona fide payment of any insurance money to, and the receipt thereof by any person, who, according to the policy or according to an instrument in writing attached to or endorsed on the policy or identifying same by its number or otherwise, appears to be entitled to the insurance moneys without actual notice on the part of the company paying the money that the assured has revoked the benefit or declaration or appropriation previously made, or re-apportioned the insurance money or altered or revoked the benefits previously made or added or substituted new beneficiaries or diverted the insurance money wholly or in part to himself or his estate, shall effectually discharge the company paying the same."

2. This act shall come into force on the day it is assented to.

This act was duly passed and assented to.

The companies transferred from provincial to Dominion licenses are: Excess Insurance Company, Limited, Union Marine Insurance Company, Limited.

New companies admitted to this province by Dominion license are: Fire—Boston Insurance Company, Fire Insurance Company of Canada, New Hampshire Fire Insurance Company, Queensland Insurance Company, Vulcan Fire Insurance Company. Fire, automobile, inland transportation and hail—Union Insurance Society of Canton. Accident and sickness—Maryland Assurance Corporation.

NEW LEGISLATION IN ALBERTA

Large Number of Companies Also Enter Province, and Some Secure Dominion License

An important act was passed in Alberta in 1918, amending the Alberta Insurance Act. The principal changes introduced were:—

(1) Hail insurance conditions. These conditions establish a standard policy of hail insurance, much the same as the statutory fire conditions do for fire insurance. Hail insurance policies are now uniform in Manitoba, Alberta and Saskatchewan.

(2) Model bill for incorporation of provincial insurance companies. The powers and privileges that are considered expedient for a provincial insurance company to have are by this amendment made part of the general Insurance Act. The schedule "F," states that the Insurance Act and amendments shall apply to that company. By this device a standard bill is provided eliminating the necessity for examining at every session a half a dozen charters all worded differently and no "joker" can be inserted in any insurance charter.

(3) Provisions regulating the investments of provincial companies. Hitherto nothing of this sort existed, the only check being the threats or remonstrances by the insurance department.

(4) Procedure is outlined for the amalgamation of insurance companies. The provisions of the Mutual Fire Insurance Ordinance were amended to increase the minimum cash rate from 33 to 40 cents per $100. This was done at the request of the mutual companies themselves. The Life Beneficiaries Act was also amended as per the enclosed slip.

Since January 1st, 1918, the following companies, which had hitherto operated under provincial registration, obtained Dominion licenses:—Alliance Nationale; British Crown Assurance Corporation; Century Insurance Company; Eagle, Star and British Dominion Insurance Company; Excess Insurance Company; Fire Association of Philadelphia; Western Life Assurance Company.

Since January 1st, 1918, the following companies holding Dominion licenses have retired:—British Columbia Life Insurance Company, amalgamated with the Sun Life Assurance Company of Canada; Hamilton Fire Insurance Company, amalgamated with the Liverpool and London and Globe Insurance Company; La Sauvegarde Life Insurance Company, withdrawn; Canada Hail Insurance Company, withdrawn; National Union Fire Insurance Company, of Pittsburg, withdrawn.

Since January 1st, 1918, the following companies have been admitted for registration: Union Assurance Corporation; *British Crown Hail Underwriters, Limited; Vulcan Fire Insurance Company; New Hampshire Fire Insurance Company; Boston Insurance Company; *Union Casualty Company; Capital Life Assurance Company; Ridgely Protective Association; Alliance Insurance Company of Philadelphia; Queensland Insurance Company, Limited; British Traders Insurance Company, Limited; Columbia Insurance Company of New Jersey.

*Provincial companies.

NOVA SCOTIA PASSES NEW LEGISLATION

Act Passed During 1918 Session of Legislature Lays Down New Regulations

There was only one act, relating to insurance, passed by the province of Nova Scotia legislature in its 1918 session. This was chapter 15, entitled "An Act Respecting Insurance Companies," and came into force on January 1st, 1919. The principal provisions are as follows:—

1. No insurance company shall operate in the province until it has secured a license.

2. The registrar of joint stock companies may refuse to issue a certificate of registration, or having issued one, may revoke it.

3. No person in Nova Scotia shall do business for an insurance company which is not licensed under the insurance act.

4. The following acts, however, are especially defined as being outside the provisions:—

(a) By or on behalf of any society or association of persons thereunto specially authorized by the minister of finance of Canada or the treasury board of Canada.

(b) In respect of any policy or risk of life insurance issued of undertaken on or before the thirtieth day of March, one thousand eight hundred and seventy-eight, by or on behalf of any insurance company which has not since the last-mentioned date received a license from the minister of finance of Canada.

(c) In respect of any policy of life insurance issued by an insurance company that is not licensed under the Insurance Act to a person not resident in Canada at the time of the issue of such policy.

(d) Solely in respect of marine insurance.

(e) In respect of any contract entered into or any certificate of membership or policy of insurance issued before the twentieth day of July. one thousand eight hundred and eighty-five, by any assessment life insurance company.

The following is a list of the insurance companies that have registered in Nova Scotia during the year 1918: Maryland Assurance Corporation; North American Accident Insurance Company; Columbia Insurance Company of Jersey City; British Traders Insurance Company, Limited; Union Insurance Society of Canton, Limited; Continenal Life Insurance Company; Queensland Insurance Company, Limited.

The following companies ceased to do business in Nova Scotia during the year 1918: General Animals Insurance Company; North American Accident Insurance Company; Fraternities Health and Accident Association; Eastern Casualty Insurance Company.

PRINCE EDWARD ISLAND IN 1918

No insurance legislation was introduced in the Prince Edward Island legislature during the year 1918. There were no withdrawals on the part of companies doing business in the province, but the following commenced during the year:—

Imperial Life Assurance Company of Canada.
British Traders Insurance Company.
Canada Accident Fire Insurance Company.
St. Lawrence Fire Underwriters.
Union Insurance Society of Canton, Limited.

Canada Security Assurance Company

(HAIL DEPARTMENT)

Incorporated 1912

BANKERS:
CANADIAN BANK OF COMMERCE

Over $800,000 paid out in Losses

Comparison Invited

Officers:

President - - - P. R. REED
Vice-President - - T. B. REDDING
Secretary-Manager - E. M. WHITLEY

Head Office, CALGARY, Alta.

FARMERS' FIRE AND HAIL INSURANCE COMPANY

Head Office:
LETHBRIDGE - - ALBERTA
SASKATCHEWAN OFFICE - REGINA

FIRE, HAIL AUTOMOBILE AND FARM RISKS

A Canadian Company confining its Investments and Business to Canada

Liberal Contracts to Agents in unrepresented districts

Western Mutual Fire Insurance Company

Operating on a strictly mutual Plan for Farmers only

The Largest Mutual Company in Alberta and one of the Largest in Canada

P. R. REED, *Secretary-Manager*

Head Office, - DIDSBURY, ALTA.

The
Saskatoon Mutual
Fire Insurance Co.

Owned and operated by Saskatchewan farmers.

Business in force exceeds $23,500,000.00

Investments in Saskatchewan $65,000.00

Largest and Strongest Mutual Fire Insurance Company in Saskatchewan.

S. J. CAUGHT, Secretary and Manager.

Head Office:
612-613 Canada Building
Saskatoon, Sask.

LIFE INSURANCE COMPANIES' WAR LOAN INVESTMENTS

COMPILED BY THE MONETARY TIMES

LIFE INSURANCE COMPANY	First War Loan		Second War Loan		Third War Loan		First Victory Loan		Second Victory Loan	
	Subscription	Allotment	Subscription	Allotment	Subscription	Allotment	Subscription	Allotment	Subscription	Allotment
	$	$	$	$	$	$	$	$	$	$
1. Aetna	525,000	525,000	100,000	100,000	250,000	250,000	300,000	300,000	300,000	300,000
2. British Columbia	20,000	20,000	.....	.....	20,000	20,000	40,000	40,000	.....	.....
3. Canada	1,500,00	1,500,000	1,000,000	407,500	4,000,000	2,890,000	8,407,500	6,282,500	10,000,000	6,300,000
4. Capital	25,000	25,000	20,000	20,000	100,000	90,000	140,000	140,000	14,050	14,050
5. Confederation	500,000	500,000	250,000	207,500	2,000,000	1,440,000	2,500,000	2,273,750	1,250,000	1,050,000
6. Continental	100,000	100,000	100,000	47,500	200,000	155,000	500 000	500,000	200,000	200,000
7. Crown	100,000	100,000	150,000	67,500	200,000	156,500	79,000	79,000	260,000	266,000
8. Dominion	115,000	115,000	115,000	69,500	200,000	155,000	500,000	500,000	500,000	500,000
9. Excelsior	150,000	150,000	100,000	82,500	300,000	255,000	200,000	200,000	300,000	300,000
10. Great-West	1,000,000	1,000,000	1,000,000	407,500	1,500,000	940,000	4,500,000	3,829,000	3, 000,000	2,100,00
11. Gresham	30,000	30,000	25,000	25,000	20,000	20,000	25,000	25,000	165,000	165,000
12. Imperial	350,000	350,000	750,000	307,500	1,500,000	1,132,500	2,465,000	2,340,000	1,500,000	1,200,000
13. La Sauvegarde	45,000	45,000	40,000	40,000	.....	.....	70,100	70,100	105,000	105,000
14. London & Lancashire	100,000	100,000	100,000	82,500	120,000	120,000	150,500	150,500	300,000	300,000
15. London	250,000	250,000	300,000	127,500	500,000	425,000	1,300,000	1,300,000	1,000,000	1,000,000
16. Manufacturers	500,000	500,000	700,000	287,500	1,000,000	715,000	1,500,000	1,125,000	2,000,000	1,500,000
17. Metropolitan, New York	3,000,000	2,000,000	3,000,000	2,725,000	3,000,000	3,000,000	5,000,000	5,000,000	5,500,000	5,500,000
18. Monarch	40,000	35,000	50,000	43,000	100,000	94,600	125,000	125,000	100,000	100,000
19. Mutual, of Canada	500,000	500,000	1,500,000	537,500	2,500,000	1,843,700	5,400,000	4,265,600	3,000,000	2,100,000
20. National	150,000	100,000	150,000	67,500	175,000	137,500	345,000	345,000	250,000	250,000
21. New York	1,000,000	1,000,000	.....	.....	1,000,000	715,000	2,000,000	1,875,000	2,000,000	2,000,000
22. North American	500,000	500,000	500,000	207,500	1,000,000	715,000	1,000,000	1,000,000	1,000,000	900,000
23. Northern	105,000	105,000	50,000	32,500	210,000	165,000	235,000	235,000	200,000	200,000
24. Prudential, Newark	500,000	500,000	700,000	287,500	500,000	365,000	2,200,000	2,200,000	3,500,000	2,400,000
25. Royal	50,000	50,000	100,000	50,000	100,000	85,000	250,000	250,000	350,000	350,000
26. Royal Guardian	72.500	72,500	100,000	47,500	.....	.....	2,000	2,000	100,000	100,000
27. Saskatchewan	.....	.....	.....	.....	10,000	.....	20,300	20,300	35,000	35,000
28. Security	.....	.....	.....	.....	10,000	.....	12,000	12,000	5,000	5,000
29. Sovereign	60,000	60,000	60,000	35,500	60,000	53,000	100,000	100,000	100,000	100,000
30. Standard	315,000	315,000	417,500	417,500	200,000	200,000	.....	.....	250,000	250,000
31. State	300,000	300,000	100,000	100,000	.....	.....	.....	.....	.....	.....
32. Sun	2,000,000	2,000,000	5,500,000	2,487,700	10,000,000	4,765,000	11,500,000	9,444,850	11,001,500	7,301,500
33. Travellers, Hartford	100,000	100,000	100,000	47,500	200,000	155,000	750,000	687,500	1,000,000	1,000,000
34. Travellers, of Canada	15,000	15,000	25,000	25,000	25,000	25,000	50,000	50,000	50,000	50,000
35. Western	.....	.....	15,200	15,200	20,000	20,000	65,000	65,000	30,000	30,000
36. Western Empire	.....	.....	20,000	20,000	.....	.....	75,000	75,000	25,000	25,000

2. This company was absorbed Sun Life Co. of Canada in December, 1917.
3. $1,500,000 of the 3rd War Loan subscription represents conversion of the issue due 1925 into the 1937 maturity. $3,000,000 of subscription to first Victory Loan represents conversion of 3rd War Loan and $407,500 conversion of 2nd War Loan.
4. Present Holdings of Capital Life Ass. Co. are $90,000 of 1st Victory Loan, and $14,050 of 2nd Victory Loan, making a total of $104,050.
5. The holding of the 2nd Loan and $1,090,000 of the 3rd Loan were turned in on account of the 1st Victory Loan subscription.
6. $292,500 of 1st, 2nd and 3rd War Loans were turned in on account of 1st Victory Loan subscription.
7. On the subscription of the 1931 War Loan, the company made a further purchase of $12,000. The company turned in its old bonds, and its new subscription of $79,000 to 1st Victory Loan, was extra.
8. The company converted its previous holdings of $290,000 into the 1st Victory Loan, paying the difference in cash. The subscription of $500,000 to the 2nd Victory Loan was a cash one.
9. The company subscribed for $200,000 of the Victory Loan, and converted the amounts it held of the 2nd and 3rd War Loans so that the total holdings in the Victory Loan are $587,500. The company disposed of $50,000 of the 1st Loan and converted the balance into the 3rd Loan, this amount being included in the $300,000 mentioned as subscribed. To the 2nd Loan $100,000 was subscribed, $82,000 of which was allotted. The company later purchased $50,000 of the 2nd Loan. The Company purchased $300,000 2nd Victory Loan. The total holdings of War Loans now $961,500.
10. The company surrendered the full amount of war bonds held under allotment of previous loans in part settlement of allotment under 1st Victory War Loan.
11. The Society has made further purchases in the market, and now holds altogether $306,000. These figures are of local application only, as the Society has a total holding of $4,250,000 in the British War Loans, and a further $940,000 in war loan stock issued by the Allies and the British Colonies.
12. The Company converted all its holdings of the first three War Loans with the exception of $50,000 first War Loan, into the 1917 Victory War Loan.
13. $45,000 of 1st War Loan converted into 1st Victory Loan; 2nd War Loan of $40,000 since converted. Total of Dominion of Canada War securities carried the company $175,100.
14. In addition to the original subscriptions there have been several exchanges and additional purchases made by the company, but no sales. The total holdings at date amount to $1,106.000, and are exclusive of the company's holdings at home in the British War Loans.
15. The company subscribed for $1,300,000 of the 1st Victory Loan, and converted all previous War Loan Bonds ($812,500) then held; 2nd Victory Loan subscription was for $1,000,000, 15-yr. Bonds. The company converted $500,000, 1st Victory Loan Bonds. Total holding will be $1,800,000.00.
16. The company purchased later $335,000 of the 1st War Loan, turning in their total holding of $835,000 to the 2nd Loan, thus gaining a holding of $1,122,500 of the 2nd Loan. The company also purchased in the open market $285,000 of the 3rd Loan, making a holding of $1,000,000 of that loan. At the time the 1st Victory Loan was issued $2,131,700 of old war loans were held. This sum was all turned into the 1st Victory Loan, making, with the new money subscribed, and $300,000 purchased later, a holding of $3,556,700. The company also purchased $2,000,000 2nd Victory Loan, on which the allotment would be $1,500,000.
19. The company made a subsequent purchase of $325,000 of the 1st War Loan. Ultimately all earlier holdings were converted into the 1st Victory Loan. In addition to the allotment received of the 2nd Victory Loan, the company will be carrying as a permanent investment, $4,265,600 of the 1st Victory Loan.
20. $220,000 of former loans was converted, the total holding of the company being $543,700.
21. The company purchased $1,000,000 1st War Loan Bonds, due 1925, which were later used in part payment for subscription to the 1st Victory Loan. It also purchased $285,000 additional 3rd War Loan Bonds, making holding of $1,000,000, $875,000 of which have been converted into 2nd Victory Loan.
23. The company has made a number of exchanges but no sales, and the total holding of paid-for war bonds was, at December, 1917, $230,000. This total is large for the company, and is partly attributable to the fact that the amount of deduction for policy loans made which is allowed by Life Insurance Investment Act, was very small, owing to special efforts made. The company converted part of previous loans, and now holds almost $400,000 of twenty and fifteen-year Victory Loan.
24. Subsequent purchases increased holdings of the first three loans to a total of $2,200,000, all of which was converted into 1st Victory Loan Bonds.
25. Total present holding of fully paid for Canadian War Loans, $800,000.
26. The $72,500 of 1st War Loan was purchased later, $60,000 of 1st War Bonds converted.
27. The company holds at the present time $25,100.00 War Loan Bonds; $100.00 of the 2nd War Loan, $15,000.00 of the 3rd, and $10,000,00 of the 1st Victory Loan; in addition to this, we subscribed for $35,000.00 of the 2nd Victory Loan, 1937 maturity, and converted $10,000.00 1922's, 1917 Victory Loan.
29. Total of Canadian War Loans now held (exclusive of 1918 subscription) is $232,650, of which all but $550 is represented by 1937 maturity.
30. The total holdings of the company at date amount to $1,182 500.
31. The company holds a total of $400,000 of Dominion of Canada War bonds and have about $300,000 more invested in bonds of various Canadian cities. Since April, 1917, the company has made liberal purchases of American Liberty bonds, but has not been in position to make further investments in Canadians.
32. $1,230,000 of the 2nd War Loan subscription represents conversion of the issue due 1825. $6,639,700 of the 1st Victory Loan subscription represents conversion of $1,893,700 of the issue due 1931, and $4,746,000 of the 5% issue due 1937. $1,001,500 of the 2nd Victory Loan subscription represents conversion of the 5½% issue due 1922.
34. The company subscribed for $50,000, new money in the 2nd Victory Loan. Also converted $40,000 of previous loans.
35. The figures of the 2nd War Loan include $5,000 purchased from brokers; all former holdings were converted in payment of the subscription of $65,000 to the 1st Victory War Loan.
36. The 2nd War Loan Bonds of $20,000 were applied on the 1st Victory Loan.

THE

Ocean Accident and Guarantee Corporation

LIMITED

OF LONDON, ENGLAND

Accident, Health, Liability, Automobile, Plate Glass, Guarantee, Burglary, and FIRE Insurance

ASSETS, December 31st, 1917 - $24,494,763.79

CLAIMS PAID EXCEED - - $60,000,000.00

Our Motto :—Service, Up-to-date Policies, Prompt and Equitable Adjustments

CANADIAN HEAD OFFICE—

OCEAN INSURANCE BUILDING, TORONTO

WILLIAM THOMAS PERRY, General Manager

J. A. MINGAY, Assistant Manager

Branches at St. John Montreal Winnipeg Regina Calgary Vancouver

WONDERFUL GROWTH IN LIFE INSURANCE

Most Companies Have Made Progress, But a Few Have Taken a Strong Lead—Assessment Insurance Falling Off

BY W. H. ORR

These are the days of big figures in loans, in banking, in war expenditures, in shipbuilding, in aeroplaning, electric lighting, power production, motors, tractors, typewriters and prices. Just think of it, as compared with only five years ago, not to allude, particularly, to the state of things when the writer first commenced his long business life as the editor of a humble country newspaper! Surely we are living in a new world of accomplishments, of inventions—and of prices. Not many miles from the Toronto market, potatoes were selling, in the year 1852, at 12½ cents a bushel, delivered at the wharf to the Montreal steamer; and the wheat, oats and barley were gathered by the old-fashioned sickle, now so thoroughly obsolete, and the thrashing was done laboriously with a wooden flail. On a Manitoba farm, near Brandon, a few weeks ago, it was most interesting to see unbroken stooks of wheat lifted by a six-horse-drawn machine, at one grasp, into adjoining hay-rack wagons, then forked by two men into a thrasher, which rapidly built a strawstack at the end of a slanting blow-pipe, and weighed out the grain in half-bushel lots by the weight-click of a lever, and the whole day's result bagged and delivered on the waiting steam cars, and the farmer getting his $2.21 per bushel for the day's product as the sun went down. What a new world for the farmer!

Old Line Life Insurance.

But all that sort of thing will be better dealt with by other pens, while this page presents some huge figures worth looking at from the great, modern realm of life insurance growth on this continent.

It is not the purpose of this article to deal with other than what exists in Canada and the United States, and even then, to only say that the number of regular life insurance companies, whose headquarters are located in the United States, foot up to 212, while those which have grown up in different Canadian cities and towns number 29. In both countries about one-half of those companies have attained to a very considerable age, while the other half are all along, as to the date of their birth, from five to twenty-five or thirty years ago. And in both classes, as might be expected, there are a good many weaklings and mere locals, making little growth from one decade's end to another. From the ranks of these come absorptions by the more successful companies, year by year.

Great Figures.

But a half dozen or so of the United States companies have been doing perfectly wonderful things during the past five or six years in piling up figures of growth. To that it is worth while calling attention. The five well-known companies below have been doing business throughout most States and provinces for upwards of half a century, and have obtained such a lead in the procession for energy and push and accomplishment that the record herein given should prove highly interesting They are all still "going strong," and have adopted many up-to-date features, giving them great favor with the investing public, of both countries. Notice their five years of growth.

There's a Difference.

It is easily to be seen that the figures opposite the two last-named companies are much larger than those following either of the three first named. There is a reason for this. It is that the Prudential and Metropolitan, in addition to transacting "ordinary life" and "endowment" insurance for $1,000 and upward upon each life, also issue what is known as "industrial" policies for small amounts, by weekly premiums of five cents, ten cents and upwards. So amazingly has this industrial business grown that more than one-half of the amounts stated as "insurance in force" in the above table for those two companies, belong to this cheap sort of "workingman's insurance," as it is sometimes called.

The amounts of these small policies in force on January 1st last in these two companies were: in the Metropolitan, $2,162,974,087, and in the Prudential, $2,039,767,297. These are certainly "some figures" to result from such small weekly collections of premiums. While many of these small policies are less than $100 in amount, the average amount in the one company is $131 per policy, and in the other $137. In all cases these small industrial policies yield accident benefits —about one-half the face of the bond in case of loss of limbs or eyesight. Both companies carry on this style of insurance in separate local offices, apart from their regular branches. The Metropolitan claims to have no less than 1,100,000 of these "industrials" in force in Canada, and no less than 16,480,710 in the two countries combined, while the New Jersey company reports its total at 14,936,592. They each make a growth at the rate of about one million of these small policies per year.

Assessment Insurance.

In quite a contrast to either of the regular "old line" insurance companies above alluded to, or of the "industrials," is a sort called "assessment" or "fraternal" insurance. This is carried on by means of fraternal societies, meeting monthly, and the payment of small monthly dues for an insurance certificate. Ten or fifteen years ago these associations, by their very light monthly assessments, for certificates promising from $1,000 to $5,000 per member. seemed about to carry all before them, and to be well designed to knock out the "old liners." But since so many of them have gone to the wall (and the strongest of them have been compelled, by heavy death losses, to raise their rates), their annual reports, in most cases, show a great decrease of insurance in force on their books. A half dozen of the best known of them have made the following record of insur-

Five Years' Growth of Five Life Companies.

Names of companies.	Years compared.	Insurance in force.	Total income.	Total outgo.	Total assets.
The Equitable Life, of New York	1912	$1,429,211,848	$ 77,565,819	$ 67,341,672	$513,319,201
	1917	1,754,868,908	92,630,626	76.953,826	577,561,498
Five years' growth		$ 325,657,060	$ 15,060,807	$ 9,612,154	$ 64,242,297
The Mutual Life, of New York	1912	1,550,888,063	86,011,878	71,399,288	599,125,046
	1917	1,773,411,526	95,823,334	83,441,234	633,999,569
Five years' growth		$ 222,523,463	$ 9,811,456	$ 12,041,946	$ 34,874,523
The New York Life, of New York	1912	2,169,798,993	118,416,652	74,506,488	719,657,050
	1917	2,673,334,336	145,969,948	105,741,265	934,929,382
Five years' growth		$ 503,535,343	$ 27,553,296	$ 31,244,777	$215,272,332
The Prudential, of Newark, N.J.	1912	2,211,183,691	88,504,779	54,084,900	291,516,195
	1917	3,458,437,735	133,287,722	86,048,983	475,371,914
Five years' growth		$1,247,254,044	$ 44,782,943	$ 31,964,083	$183,855,719
The Metropolitan, of New York	1912	2,604,966,102	106,625,686	62,693,197	397,965,341
	1917	3,936,181,898	192,945,981	98,966,107	704,025,515
Five years' growth		$1,331,215,796	$ 86,320,295	$ 36,272,910	$306,060,174

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ESTABLISHED 1869

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ance in force in January, 1913, compared with January, 1918, viz. :—

Some Fraternal Insurance Societies.

Name of society.	In force Jan., 1913.	In force Jan., 1918.
Royal Arcanum	$482,516,803	$246,382,161
Independent Order of Foresters.	241,410,129	175,786,128
Ancient Order United Workmen.	51,063,450	12,444,301
Canadian Home Circles	26,042,929	6,896,472
Woodmen of the World	13,942,743	5,603,000
Totals	$814,976,064	$447,112,062

This table shows that, in spite of all the new members that could be induced to join these five societies during the past five years, the total amount of insurance on their books has decreased by the immense sum of $367,864,002. In the case of the Royal Arcanum, the losses by death during the year 1916 were the large sum of $9,382,455. But the lapses, or certificates thrown up that same year as of no value, were $170,373,840. On a smaller scale during the same year the Ancient Order of United Workmen, of Toronto, with a death loss of $749,741, also lost $18,576,692 by lapse. And a similar falling off in confidence, year by year, of late years leaves several of these once prosperous fraternal assessment societies reduced to about one-quarter of their former size.

Insufficient Rates.

Both in the United States and Canada the government has called a halt upon such societies as to their granting life insurance at rates so low as to render their insolvency only a matter of a short time. Their continuing that practice would leave little or nothing at the death of the members for the widows of those who had contributed faithfully from the beginning. In 1914 the Ontario legislature very wisely intervened. It passed an act requiring all such institutions to make a report to the government within three years as to their condition. The time within which they were required to show something approaching solvency expired a year ago, and most of them have employed an actuary and done something to mend matters. Some have charged up heavy lump assessments against the older certificates and others have raised their rates for all members, old and new. The result has been to all of them somewhat similar, in dropping of membership, to what is shown in the above table as to five of them.

Comparing the figures shown by the success of the five largest of the old liners with those of the five assessment societies, it will be seen that the one is on the road to a long life of usefulness, while the other system, no matter how prosperous for a few years, is not built upon an enduring foundation, and cannot yield either permanent or satisfactory results.

INSTITUTE OF ACTUARIES SYLLABUS

The Institute of Actuaries (England) has adopted a new syllabus to apply for not less than four years after the cessation of hostilities. It is simpler than the previous one, certain subjects being omitted, such as the law of real and personal property and investments. A course of reading is also included for the guidance of students who are preparing for the examinations.

A prominent and competent adjuster has calculated that the losses paid by stock companies could be reduced by between 5 and 15 per cent. of the whole, if careful and proper adjustments of all claims were made, instead of following the present prevailing system of loose adjustments.

Four thousand and forty-nine claims have been made upon Toronto under its plan of insurance of soldiers. Of these, 3,383 had been accepted and paid, either by the city or the insurance companies. There were 666 claims left, 450 of which came within the prohibitive order, leaving 216 to be adjusted. The total cash payments to date in insurance were $3,383,000. If the prohibited claims were allowed another $450,000 would be needed. It was estimated that the cost of meeting the 216 claims under consideration, and others that will come in before demobilization is completed, would be approximately $500,000, but if all claims were entertained irrespective of where the applicants resided, then the cost would be $1,000,000.

FIRE PREVENTION

Adjuster of Long Experience in Canada Expresses Sound Views on Methods of Reducing the Fire Loss

By Henry Lye.

The close of A.D. 1918 witnesses the success of my long-continued efforts to stimulate measures for the prevention of loss and damage by fire to the lives and properties of the people of Canada. I confidently maintain that no other person has done so much to this end.

The people are now appreciating the fact that all fire losses are at their expense, and the officials of the various governments are conscious of their interest in preventative measures because of the continuous diminution of municipal, provincial and national assets which form the bases of taxes and assessments. These decreases of assets either increase the rates of assessment on the properties which remain, or prevent the collection of moneys necessary for public purposes.

It is now conceded that the effects of loss or damage by fire are not confined to the nominal owners of the properties, or to the insurance companies who covenant to indemnify them. The blotting out or the temporary paralyzation of any industry affects the employees and their families, the shopkeepers with whom they have dealt, the wholesalers who have supplied these retailers, the surrounding producers, the owners of adjoining properties, the shareholders of insurance companies, and through them an infinite number of interests widespread throughout the world.

The one fact being established that a loss by fire is a loss to the public as a whole, and to the country at large, the sensible conclusion is that preventative measures should be enforced by officers having the power and duty of prompt enforcement, which powers and duties should be conferred by the governments of the various provinces, acting in unison, or by the Federal government in pursuance of provincial acts of parliament. It is futile to expect local officials to rise superior to local politics and enforce preventatives, which may give offence to some local magnate and result in loss of office or curtailment of personal popularity. We have too much politics; too many persons whose influences block local improvements and reforms which entail personal sacrifices for the public welfare, and we have no machinery to prevent evasion and delays in the appreciation of preventative measures.

There are too many officials sitting at desks and ignoring their responsibilities, or incompetent for their performance. There are too many projects, but, as yet, too little real action. Most of these projects are designed to be put in force spasmodically, or when it is too late, or under unworkable conditions, or by officers who will have no power for prompt enforcement.. One fire marshal has issued a bulletin of the stupidities and culpabilities of the innocence-assuming fire fiends, whose exploits are comparable only to those who leave poisons, boiling water, uncovered wells and pools in such positions as bring about the death agonies of young children; or the other class who pretend that "they didn't know it was loaded," or shoot other men "thinking it was a deer," and then seek immunity by the verdicts of friendly juries.

Another suggests the revival of the Code provision that the party on whose premises a fire originates shall be financially responsible for all the consequences of that fire. This would sometimes act so unjustly and, at other times so absurdly as to prevent enforcement. The woman who owned the cow, which kicked over the lamp, which ignited the straw, which set fire to the shed, which scattered the sparks over the surrounding buildings, which created the breeze, which scattered the burning embers over the whole city, sounds too much like the story of the "House which Jack built." But if fines and imprisonment were the punishment of the careless we would have more care and fewer fires.

One fire marshal proposes to turn over claims for fire losses to a department created for their investigation and adjustment. This is the thin edge of a wedge for promoting state insurance, and ignores the fact that there are adjusters more competent by experience than any state official Another requires a multiplicity of reports which lead to no action on his part, unless they contain statements which may result in actions for defamation of character, whereas it was intended that he should ascertain the causes of fires by his own investigations.

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Conservation should mean the preservation of that which exists. If the proprietors of factories and wholesale stores were obliged to employ sufficient competent watchmen with the powers of special constables, sworn to act faithfully and diligently, and if these were punished by imprisonment for smoking, sleeping or laziness, we would have few fires becoming uncontrollable and resulting in heavy losses. (There may be some who remember Alfred Perry, Inspector of Royal Insurance Company, and his dicta re Watchmen.)

We have learnt many things during the war times and have quietly submitted to the curtailment of our liberties, so that it is no longer argued that a man may do as he likes with his own, but holds it subject to the general good. We expect many and great changes during the coming years, whereby much machinery may become valueless, and many premises may require reconstruction to adapt them to new uses, so the governments should exercise such supervision as will prevent temptation to improper realizations. Like the doctors of medicine the fire insurance companies have exhibited great self-denial and public spirit. It is neither their duty nor their interest to lessen their own incomes by decreasing the necessity for their own employment. Yet every decrease of the fire hazard leads to the diminution of the proportions of insurance carried to the value of the properties, and so increases the proportion of total losses of amounts insured, or to neglect of insurance altogether, or to reduction of rates of premiums.

Arson and incendiarism are not frequent, they arise from ascertainable causes. They are generally followed by excessive claims for loss which explain the origin of the fire. It is the business of the adjusters to prevent the success of the claimants, but it is not their duty, or that of the insurance companies, to enter into criminal prosecutions, especially as they will be at once accused of doing so for the purpose of avoiding payment of losses, and until judges and juries become capable of broader views, it is unwise to rely upon upon their judgments or verdicts in such cases.

BUSINESS LIFE INSURANCE

Desirability and Need of This Class of Insurance—Businesses Need Protection as Well as Families

By P. A. Wintemute.

The theory of insuring a life, the existence of which is valuable to a corporation or firm, for an amount approximately equal to its value in the business, or at least for a sum that would enable the beneficiary under the policy to continue the business after the death of the insured, without danger of financial interruption, or complication, is of comparatively recent origin. However, as a result of practical experiences in the last few years, this great plan is growing rapidly.

The character of the modern approved insurance policy, with its very explicit guarantees of cash surrender values, which are also most accurate, and a readily convertible asset, fits it most admirably for this particular purpose. The annual premiums are usually paid by the firm or corporation to which the policy is made payable, and the first few years the same are charged to expense, but later, when the policy has attained an age where a sufficient reserve has accumulated, this reserve is entered on the books of the corporation or firm (the beneficiary) as a credit item, becoming an easily ascertainable and quickly convertible asset, which is also most permanent and reliable.

If the insured survives the maturity of the policy, the cash settlement which he will be privileged to receive may become a most useful addition to the resources of the concern with which he is identified, and he personally may have the satisfaction of supervising the reinvestment of these funds, either to reduce outstanding liabilities, or further increase the financial strength of the business. Should he unfortunately die before his policies mature, the face value of the same is immediately paid to his business associates, and in a degree compensates them for the loss to the business of his valued experience, and enables them to continue the business with less embarrassment than if this provision had not been made, in advance of its actual need. If his estate is interested in the continued integrity of his investments it has thus been made secure.

Business insurance, that is life insurance for the protection primarily of the business interests of the assured, provides the modern method of protection against such a contingency, as, where the one man who carries the financial burden of a business is suddenly taken away by the "Grim Reaper," and gives the surviving partners, or directors of the business, time to recover from the loss of its directing head, and thus often avoids dissolution, and the ensuing loss.

The benefits of such insurance are not confined to those resultant from the payment of the policy either at death or its maturity. The fact that a business concern is protecting itself by this method, puts it in a position to demand an increased line of credit, and its bankers and firms from whom it is making purchases consider it financially stronger. In fact, most bankers to-day are demanding that their clients have sufficient life insurance, and in compiling "Credit Forms," the question is invariably asked: "How much life insurance do you (or the firm) carry?" "And to whom payable?" Frequently bankers, where the borrowings of a firm or corporation are exceptionally large, are demanding the assigning of life insurance as collateral.

The business burdens of the conscientious man, who feels that to die, and leave his creditors unsatisfied, would dishonor his name, and at least humiliate his family, and intimate friends, is considerably lightened by the possession of such insurance. It strengthens his character to feel that he has done his utmost to avoid such a calamity after his demise, and undoubtedly the ensuing peace of mind makes him better able to resist the ravages of disease, and possible death at the time his business needs him most.

In the history of almost every business, large or small, there comes a time, when it is impossible to obtain money urgently needed, to meet an emergency or tide affairs over a temporary period of reverse, or continued slack time. Possibly on account of financial depression bankers hesitate, or refuse, to extend further credit, just at a time when, if the business is to be saved from embarrassment, or loss of some opportunity, ready cash must be available; and it is impossible to secure same through ordinary borrowing channels. It is then the business life insurance policy proves its worth and usefulness. During the more prosperous years the premiums have been paid, and the reserves accumulated. These are at once available for borrowing, at a low rate of interest and no security required, except the policy itself. The borrower is not putting himself under a particular obligation to any individual, as the funds according to the contract are really his own property, and he is saved the necessity of applying to his bankers for a loan. Many specific cases could be instanced, where the cash value of a policy, or the using the same as collateral, has been the means of tiding a small business through a period of stress, until it succeeds and eventually becomes a million-dollar corporation.

To meet a future known loss, most business men charge off a certain per cent. of that loss each year. As ninety-five per cent. of the element of success in any business originates in the personality of the management, and as the loss by death of the head of a business or firm becomes total to the concern, it behoves the firm to cover this possible loss by life insurance. It would cost only from two to five per cent. per year, according to age, which would make a very small per cent. to write off, whereas the total loss may come in any one year.

Business men to-day are buying business life insurance, because they know all about money, and its importance in times of emergency. They know that if they fail to take business insurance they are leaving unprotected a value quite as real as the other assets they insure, such as the contents of their mills, stores or houses, inanimate objects which can be replaced if destroyed—the value of personality, and the contents of their head—the animate brains, which if destroyed cannot be replaced.

Where the partners in a business are required to endorse each other's paper they are seeing the advisability of purchasing business insurance and thus each partner is saved the possibility of involving his family's personal estate. The above applies more particularly to smaller firms. They need business insurance because of restricted capital. Their so-called profits are largely in the nature of wages or salary; not earnings on capital invested; and furthermore if the firm happens to be composed of two or three members of a family, business insurance precludes the possibility of family troubles and enables the survivors to continue the income to the beneficiaries of the deceased.

To sum up some of the uses of business insurance:—

The best possible reserve (liquid).
A shock absorber.
The proper way to charge off a loss bound to occur.
The best collateral.
Strengthens capital while you are alive.
Capitalizes individual ability.
The proper way to provide an emergency fund.

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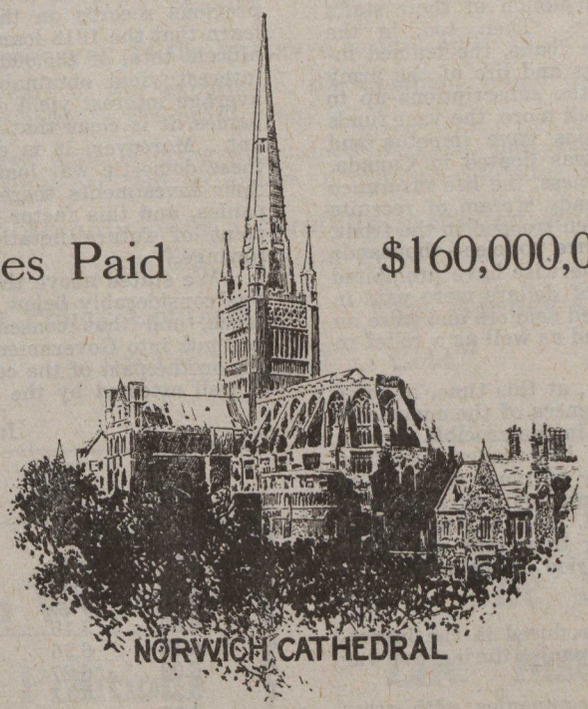

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War Time Experience of Life Companies

Losses Have Been Abnormal, But Still Well Within Calculations Based on Mortality Table—Reserves and Surplus Unimpaired—Bonds Supersede Mortgages As Investments—Increased Expenses of Management.

By M. P. LANGSTAFF

WHETHER we consider personal service and sacrifice or the diversion of wealth to national purposes, Canada has reason to be deeply proud of the devotion of her sons during the late war. Right generously have they responded both in gifts and in loans of money. And no other institutions have been more willing and eager to place their resources at the disposal of the Government than have been the Canadian life insurance companies. They have, indeed, been in a powerful position to serve Canada in many important ways throughout the duration of this war. No institutions, we think, suffered a greater depletion of their staffs from employees enlisting for service. Then, too, in the strenuous campaign work for the war loans, the trained insurance underwriters were the nucleus and life of the army of canvassers whose efforts brought the subscriptions up to and above the required quota. But, still more, the vast funds subscribed by the insurance companies gave impetus and "body" to every Victory Loan that was floated in Canada. Further, from the nature of their business, the life insurance companies added materially to the steady stream of recruits for Canada's army, for thousands of men trooped to the front, their families protected by life insurance policies—thousands of men whose circumstances would otherwise have prohibited their enlistment. Moreover, millions of dollars were paid in death claims to the relatives of deceased soldiers and were an immense benefit to the parties concerned as well as a relief to the Government.

It is fitting that we should review, at this time, in some detail the various phases of the experiences of the companies while they were being so sternly tried in the crucible of war. While the demands of the future may be broader than they have been in the past, they can hardly be more acute. The impact of future events and requirements for insurance companies may be broader, more diffused, more distributed; it can never be more severe or exacting than that which the companies sustained throughout the period of the war.

The Investments.

Let us look first at the changes produced in the investments and interest earnings of the companies during the war period.

At the end of 1914, the Canadian companies, with gross assets of $257,827,000, had $77,436,285 invested in bonds. At the end of 1917, with gross assets of $322,745,000, they had $130,727,116 invested in bonds. That is, their bond holdings had increased 69 per cent., while their total assets had increased only 25 per cent. At the end of 1914, the percentage of bond holdings to total assets was 30 per cent., while at the end of 1917 this percentage had increased to 41 per cent. It may be interesting to note how the investment pendulum for the leading Canadian companies swung from the mortgage to the bond field:—

Percentage of Total Assets

Company	Year 1913		Year 1915		Year 1917	
	Mortgage	Bonds	Mortgage	Bonds	Mortgage	Bonds
A	36.58%	25.81%	36.97%	25.10%	32.69%	32.40%
B	35.53	26.95	32.61	28.60	27.09	38.45
C	80.39	5.20	76.77	4.98	65.38	14.18
D	72.57	1.51	52.29	1.73	44.16	12.10
E	70.74	2.09	60.77	7.83	53.40	19.45
F	66.49	10.39	52.19	21.04	37.76	37.19
G	81.25	3.98	67.28	16.20	44.06	40.39
H	49.18	21.83	42.21	25.97	33.97	43.41
I	55.58	21.93	54.54	23.32	45.21	32.91
J	34.22	31.10	29.46	35.00	25.65	55.47
K	9.33	57.92	12.50	52.21	8.95	57.80

While this change in investment policy was due to war conditions, we cannot say that it was wholly owing to the companies' investments in Dominion war loans. That the main portion of the alteration, however, was due to this patriotic investment of funds is apparent when we learn that the total subscriptions of the Canadian life companies to the various domestic Government loans—exclusive of the Victory Loan of November, 1918—were in excess of $112,000,000. The prejudiced might argue that the greater portion of this investment was enforced by the Government enactments in 1916 and 1917, that, "On or before 31st of December, 1916-17 every Canadian company shall invest in securities of Canada to the amount of not less than 50 per cent. of the increase in the net ledger assets of such company during the years 1916-17, after deducting the amount of increase during the said year in loans on its policies in force in Canada." But when we consider that the subscriptions to the November, 1918, war loan—an investment purely voluntary—eclipsed all previous records on the parts of the companies; when we learn that the 1918 loan subscriptions alone reached the magnificent total of $35,000,000; and when we remember that the interest yield obtainable thereon was decidedly below the average interest yield on the invested funds of the life companies, it is clear that patriotic motives were in the ascendant. Moreover, it is doubtful if any body of investors in these domestic war loans will hold as large a percentage of their investments therein to maturity as will the life companies, and this factor is an important one from the standpoint of future flotations of capital or Government borrowings.

We stated above that the yield on the Government loans was considerably below the average yield on the companies' funds, and that consequently the diversion of such large amounts into Government securities meant considerable sacrifice on the part of the companies. The truth of this assertion is well attested by the following figures:—

Interest Rates

Company	Year 1912	Year 1913	Year 1914	Year 1915	Year 1916	Year 1917
A	5.38%	5.75%	5.76%	5.69%	5.85%	5.83%
B	5.65	6.23	5.98	5.89	5.71	5.34
C	8.00	8.11	8.22	8.36	8.30	7.90
D	7.43	7.49	7.52	6.12	6.46	6.87
E	7.91	7.90	7.93	7.64	7.58	7.36
F	6.83	7.15	7.00	6.84	6.73	6.72
G	6.43	6.96	6.77	6.63	6.53	6.52
H	6.09	6.27	6.35	6.63	6.76	6.61
I	5.85	6.15	6.12	6.09	6.05	5.97
J	6.02	6.51	6.76	6.26	5.89	5.92

If we considered the above rates as representing "pure" interest and ignored the connection of interest rates with rising prices, we might argue that the interest earnings of the companies have not suffered greatly from the effects of the war or from the companies' heavy investments in various war loans. It is true that in the early years of the war the companies' balance sheets were considerably affected by the depreciation in the market values of securities, and many companies found it necessary to set aside considerably greater contingency funds to offset any possible further weakening in values. This can be illustrated from a comparison between the total market values below book values together with the total contingency reserves shown in the companies' balance sheets before the war and those totals in the early years of the war. In 1913, these sums for Canadian companies amounted to only $510,983; by the end of 1914 they had risen to $1,010,650; and by the end of 1915 to $2,490,785. If the companies had been allowed to show amortized values only, as could legitimately have been done, in view of the great majority of life companies' bonds being long term securities held for maturity and the ultimate redemption of which at full value is practically certain, there would not have been the necessity to show these depreciated figures. However, as we said above—on the assumption that the companies have used the "book" values of their ledger assets in the calculation of their interest rates, and ignoring for the present any consideration of the "appreciation" factor in these rates—the interest rates have not fallen even during the war. While, ultimately, the companies should receive great benefit from the appreciated values and substantial returns on the many sound securities they have been able to purchase at the depressed prices prevailing during the war, prices which will ultimately return to their normal values.

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Head Office: London, Canada

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3rd—This increased scale is being maintained for 1919, and gives results, on the average, sixty per cent. in excess of original estimates.

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ASSETS—Five times larger than liabilities.

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Paid-Up Capital - 100,000.00

Insurance in Force $3,000,000.00

Owned and operated by, and for the benefit of the people of Saskatchewan

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It is evident that with the strong position which the immense assets of the Canadian companies now occupy, and with the cumulative effect of millions of dollars added annually thereto by way of interest and further income—income made up of small payments from thousands of policyholders which would otherwise be of little economic value to the state—the life companies will be in an enviable position to help in the future development of Canada's resources. They can render the most extensive and intensive aid to our artificers, our builders, our agricultural workers—in a word, to our producers, and in these ways and by subscriptions to further domestic loans, which the demands of peace are sure to require, help materially in fostering the domestic and foreign trade of the Dominion.

Mortality.

We have paid tribute to the life insurance companies for their patriotic assistance in Canada's financial effort. But what a eulogy they deserve for the strain they bore throughout the whole period of the war with respect to the vast number of war risks they carried. Now that the burden and the heat of the day are over, we can look back on this tremendous test through which the companies have so successfully passed, with a complacent pride. But when the war broke out, the feeling was one of a different nature. Canadian companies were caught unprepared. Few, if any, had been issuing policies with war clause provisions, and they saw themselves under the necessity of carrying the risks on a vast number of policyholders at the front, who were paying premiums altogether inadequate and incommensurate with the hazards involved. Then, the severity and duration of the war were persistently underestimated and it was some considerable time before the Canadian companies inserted anything like adequate war provisions in their contracts. This is apparent when it is remembered that the war clause passed through successive evolutions, beginning with a single extra premium of $25 per $1,000 of assurance, till it was ultimately amended to call for an annual extra premium of $150 per $1,000 of assurance. It is doubtful if even this large extra was altogether sufficient.

Mr. T. B. Macaulay, in an address before the Life Underwriters' Association in September, 1918, said:—"The claims resulting from the war which fell upon the united companies doing business in Canada came to nearly $12,500,000 to the close of 1917, and they are now probably at least $15,000,000. No payments can ever make up for the noble men who have given their lives, but the distribution of this large amount must have at least softened the blow to their dependents. In 1915 the war claims amounted to 16 per cent. of the total claims on the Canadian business of the united companies; in 1916 to 29 per cent., and in 1917 to 33 per cent. of the total claims. A close estimate is that on only 29 per cent. of the claims which fell in was any extra received, 71 per cent. of these war claims being on policies which brought to the companies no compensating extra premium whatever." A comparison of the death payments made by Canadian companies alone, in the three pre-war years 1912-14 (counting 1914 as a pre-war year so far as Canadian companies are concerned) with those in the year 1915-17, is illuminating:—

Year	Total Claims Paid by Canadian Companies
1912	$ 6,903,364
1913	6,784,256
1914	7,251,274
1915	8,372,108
1916	9,817,782
1917	11,949,935

That is, the total claims paid in 1917 exceeded those paid in 1914 by 65 per cent., although statistics show us that the business in force had increased only 25 per cent. over that in force at the end of 1914. A consideration of the figures for the leading companies will show that this increased mortality was the general experience:—

Death Losses per $1,000 Assurance

Company	Year 1912	Year 1913	Year 1914	Year 1915	Year 1916	Year 1917
A	$11.87	$11.38	$13.97	$15.06	$15.36	$13.19
B	9.61	8.86	10.99	10.21	12.34	14.25
C	4.32	3.31	6.96	5.16	9.56	7.48
D	4.71	4.80	4.16	5.45	5.74	6.29
E	4.83	4.70	3.86	4.47	8.63	7.70
F	5.40	5.99	7.06	5.20	8.34	8.81
G	8.32	6.31	7.97	7.06	8.29	8.46
H	6.24	6.45	6.80	7.88	9.73	10.22
I	9.11	7.30	6.74	8.39	10.51	7.45
J	10.32	8.57	8.77	9.54	9.96	10.85
K	5.09	4.17	4.65	4.74	7.77	7.71

The average increase in the mortality ratio for the various companies during 1917 was from 25 per cent. to 30 per cent. of the full actuarial expectation. Owing to the intense fighting in the summer months, the year 1918 will show an even heavier advance. While the profits of the companies must be temporarily affected by the increased mortality, no impairment whatever has been made in the policyholders' reserves or in the companies' solvency. No doubt the careful selection of risks in previous years, which had led on the average to a mortality continuously 40 per cent. to 50 per cent. lower than that expected by actuarial tables, was one factor in sustaining the strong position held. Also the probably improved health of those who had enlisted and were not casualties, the improved methods of caring for the wounded, and so forth, served to mitigate the strain thrown on the companies' resources.

That the life companies in a state of unpreparedness could bear a strain such as this war has thrown on them, pay large profits throughout the duration of the war, and at its conclusion be in a stronger position from the standpoint of strength and earning power than ever before, bears out De Morgan's contention that, "There is nothing in the commercial world which approaches even remotely the security of a well-established life insurance office."

When we take the life insurance companies the world over, when we consider the large sums subscribed by them to the various national war loans, and when we add to these totals the huge amounts paid by them on war claims, we have figures which almost stagger the imagination. Truly the part played by the life insurance companies in this world war has been a colossal one.

Expenses.

It has been shown that so far as investments and investment earnings are concerned the companies are in sound position and that while the strain from mortality during the war has been great, the companies have triumphantly surmounted it. So far as either of these factors is concerned it would seem that the companies can look forward confidently to the future. There is another important factor, however, which affects the earnings of insurance companies vitally and in this the outlook is not so clear. This factor is that of administration expense, that is, the cost of securing new business and of looking after the old. The cost of living seems to have taken the bit in its teeth. Insurance expenses, keeping pace as they do with the march in the cost of living, have risen markedly and show no signs of an early or radical decline.

I do not think, however, that it has been contended that loadings for expenses on the premiums are as yet inadequate to meet the increased costs. The loadings as at present used were calculated to allow sufficient margin for contingencies, and, in addition, economy of management on the part of the companies, has served to offset somewhat the increased rise in prices.

There is one feature, however, about this high cost of living which might lead to the paradoxical statement that increased expense may mean actually higher profits to the life companies. This is explained by the nature of the contract. When the cost of living is rising, or, in other words, the value of the dollar shrinking, the debtor always gains at the expense of the creditor, for he repays the face value of his debt in depreciated purchasing power. If the value of the dollar remained constant from the beginning of a contract to its maturity, neither company nor policyholder would be the gainer by appreciation or depreciation of money values. But if the dollar has been steadily shrinking in value, as has been the case for a number of years, the company, which pays the face value of the contract at its maturity, certainly has the main benefit of that depreciation. The company has been gaining by the higher rate of interest realizable on its funds, this higher rate which accompanies higher prices representing partly "pure" interest, partly an offset for the depreciated value of money. Whether the company would be the ultimate loser or gainer in a period of rising prices would depend on whether the extra expenses entailed by the higher prices would or would not offset the appreciation by way of interest or what is the same thing, the gain through the depreciation in money values which the contract has gradually been giving the company. Judging from the higher scale of profits paid to policyholders in late years it would seem that the company had a net gain from these causes, and since—aside from the non-participating contract—the policyholder has his surplus payments returned to him, it would appear that the policyholder is, in the final result, the gainer so far as his surplus returns are concerned but the loser to the extent of the depreciated purchasing power of the face value of his maturing contract. From the standpoint of the com-

TOTAL SECURITY
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CHIEF OFFICE FOR CANADA
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TORONTO

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(In addition to over $1,000,000 credited to Policyholders' bonuses, but not yet drawn.)

Annual Distribution of Surplus

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J. P. MOORE, Secretary.

pany, then, we have two counteracting forces, both engendered by the rising cost of living, viz., increased expenses and higher interest rates. The problem of the insurance company is to curb the one and give free scope to the other. If it can do that, the high cost of living for it can have no terrors.

Dividends.

Owing to the wonderfully strong position Canadian life companies occupied at the outbreak of the war, the majority of them were able, during the greater portion of the war period, to keep their dividend payments unimpaired. In the last year of the war, however, as it was seen that in event of its continuance for a much greater period, severe stress would be thrown on the companies' funds, many of the companies took the conservative course of scaling down their dividend payments. The storm has now been weathered and it seems obvious that, if the Government recognizes the value which the life companies are rendering to the state and refrains from burdensome taxation, the companies will, in the years to follow, be fully capable of rendering the same sound protection at moderate rates to policyholders, accompanied with the payment of good dividends.

But the companies should recognize that more than this obvious and perfunctory performance of their duties should lie before them. Throughout the war they took a most vital part in the nation's effort. Why should they not co-operate as fully in the development of the Canada of the future? A few weeks ago the armistice was signed. In all probability we shall see peace declared before the present year 1918 has passed away. The problems of reconstruction, readjustment, realignment are now before the nations of the world in all their serious and most difficult moment. Germany threatens to jump out of the frying-pan of militarism into the fire of Bolshevism. Ochlocracy in its ignorance and untempered violence has spread from the breeding grounds of Russia to adjoining lands, has infected with its virus the proletariat of Germany and Austria, and, unless curbed in time, may menace the whole civilized world. It is in this transition period from war to peace, from the comparatively stabilized, orderly and defined movements of armed forces to the restless, uncertain upheavals of the disintegrated members of the Central Powers, that the greatest danger to civilization rests, and in connection with which the greatest strain will be thrown on the resources, diplomacy and judgment of the Allied administrators.

While the problems of Europe will not affect the countries of the western hemisphere in all the intensity, precariousness and uncertainty to which the eastern nations are affected, it is inconceivable to think that out of this vast whirlpool of unrest and turmoil some strong eddies will not sweep to this side of the Atlantic. Mr. Henry L. Rosenfeld at the annual meeting of the Life Insurance Presidents, a year ago, said:—"Events as manifested in recent political elections in this country show that a psychology of the mass is working in America as well as in Russia. Tremendous impetus has been given in all European nations since the beginning of this war to the communistic and socialistic idea in government and in the administration of human affairs. How necessary, then, it is to bring to bear on present problems the sanest thought, the best balanced judgment, in order that radicalism and maximalism shall not run riot in governmental and legislative fields."

In the past the main efforts of the life companies have been along individualistic lines. The interests of the individual policyholder as a member of the company bulked larger than his interests as a member of society, if indeed the latter consideration was ever given weight. Life insurance was a microcosm distinct and separate from the macrocosm around and about it. But the war has changed all that in a distinct and definite sense, and life insurance must readjust its viewpoint and attempt, as Mr. Rosenfeld has said, "to solve the collective problems which confront every phase of human life as a result of the almost revolutionary changes of the day."

The recent statement of an eminent judge that "an insurance company is not in a large sense a private business and its relation to public interest becomes more apparent as the years go on," epitomizes the trend of public opinion towards life insurance to-day. The establishment of Government soldiers' and sailors' insurance in the United States is just a straw indicating which way the wind may set if the life companies to-day do not realize, as we said before, that there are wider and broader problems to be faced than the performance of their obvious and perfunctory duties, great though these admittedly are.

The problem of the masses will be an acute one. The question of unemployment will be one of the difficult after-the-war problems, and it may well be, in spite of the economic, social and moral conditions which render its solution difficult, that finally the life insurance policy of the future may contain a clause insuring against loss of income. The evolution of the policy has been continuous with the years, and the present day contract contains provisions which not a great many years ago would have been thought radical and unfounded. The disability clause of to-day, guarding against disability, partial or total, has been a radical move forward within very recent years. Group insurance carries out the idea of social service insurance in an eminent degree, and is being soundly developed in the United States. It cannot fail to demand trial here within the next year or two, and group insurance, being as it is a threefold arrangement among the insurance company, employer and employees, is, in a restricted sense, the first step towards unemployment insurance. The welfare work and health propaganda carried on by many of the large industrial companies are broad and fertile fields for insurance endeavor, and lead the gigantic forces of insurance wealth and insurance energy into the very paths where the greatest need exists, viz., the betterment of the working classes. There is no doubt, however, as has been said, "That while the insurance principle has increasingly been used to meet economic needs, by group insurance, corporation, rent and profit insurance; by disability, sickness, old age and compensation insurance, the gulf between insurer and insured is yet very wide," and the field of endeavor in economic and social service demands much cultivation.

The exigencies of the times have placed the opportunity for co-operation in the work of national welfare and national progress before the companies in an almost compulsory and imperative degree. With their tremendous financial resources; with their millions of policyholders; with their organized agency staffs; with their executive heads comprising some of the best brains of the country, the Canadian life insurance companies are admirably fitted to meet the needs to which they are called, to perform the duties of co-operation, expansion and experiment for which they are most scientifically organized.

PROSPERITY OF CANADA

Analogy with the Reduction of Preventable Fires—Our Careless Habits Must Be Changed

By George F. Lewis.

The war has proved a "solvent" for many problems of a national character. Problems that only a short time ago would have seemed baffling and insurmountable have been overcome and their solution has redounded to the benefit and upbuilding of the nation.

Conditions were forced upon us as a young and peace-loving nation which we were compelled to face and which providentially emancipated us from the "feeding bottle" class—enabling the country to throw off its swaddling clothes for those of more sturdy attire. The war, with all its terrible suffering and sacrifices, has done even more than that, it has made us think; it has given us more confidence in ourselves, more reliance in our ability to do things, and taught us to know the meaning of "thrift"; but, alas, it has not changed our "habits"—those habits of "carelessness" for which we have established an unenviable reputation.

With the triumphant ending of the world war additional responsibilities are placed on our shoulders entailing greater demands on our food supplies and other products of our country.

The conservation of our resources, from destruction by fire, is now more imperative than ever. Not only must we supply the needs of our soldiers until they return to their homes and are again employed in peaceful, productive occupations; but we must also help feed the peoples whose lands have been devastated by the fiendish Hun, who has wrought death and destruction along his path and caused turmoil and suffering throughout the world.

The ability of our country to successfully compete with other nations of the world for the business that will be available during the reconstruction period depends upon its financial strength—its potential power to further develop its industries and produce more foodstuffs.

After co-ordinating our efforts "to produce" it is of paramount importance to protect those products from destruction by fire if we would maintain our supremacy in the march of progress and prosperity. We must not relax but rather redouble our efforts to reduce the fire waste of Canada.

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Canadians have proved themselves "great fighters"—they have the heroic valor and resourceful intelligence necessary to meet and overcome their enemies. The next war, though a peaceful one, should be none the less strenuous against the strongly entrenched demon "fire." Unfettered fire is one of our worst enemies—it kills, devastates and destroys in a ruthless manner. If we can make as good progress in our fight against fire as we have against the Hun we will have won a great battle.

Aggressive action is needed. Everyone should co-operate in the work of fire prevention and help to educate and bring people—young and old—to a realization that they must be more careful about their "habits." Statistics show that we are the most careless people on earth. We toil unceasingly to acquire comfortable and attractive homes and yet two out of every three fires that occur are in the homes of the people; and worse still, is the amazing fact that eight out of every ten of all the fires that occur are preventable.

"Carelessness" in doing the ordinary things about the house is the chief cause of a great many fires; and for this unnecessary waste men, women and children appear to be equally culpable.

While "cleanliness is next to carefulness in the prevention of fires" it is our habits that first need correction. The change in our mode of life is one of the serious problems that now confront us. We must change our thoughts and our actions so as to effectively change our careless habits. These habits appear to have become ingrown with our very nature. Witness, for instance, the way in which lighted matches and cigarette butts are thrown around. When we succeed in changing our careless habits, the tax for fire waste of the country will be greatly reduced.

As a matter of patriotism it is a duty that we owe to our country and humanity at large to prevent destruction of life and property by fire. There are more than four times as many people burned to death every year in Canada as are killed on steam and electric railways.

Besides amending one's habits of carelessness, much can be done by the individual to eradicate the terrible fire waste that is impoverishing our country. "Example is better than precept"—the removal of fire menaces and unnecessary hazards in one's home, store or factory can be easily done; after being thus forearmed, one would feel fortified to suggest to others "to go and do likewise."

The power of suggestion is remarkable and thus we may perhaps, often unconsciously, teach the doctrine of "Fire Prevention" and radiate an influence for good that is widespread and most effective.

The formation of the Ontario Fire Prevention League offers a practical medium for all men and women who desire to associate themselves in an organization for the purpose of reducing the number of preventable fires. Its aims and objects are "to co-operate with the Provincial Government and the Ontario Fire Marshal's office for the purpose of promoting the science and improving the methods of fire prevention and fire protection; to obtain and circulate information on these subjects; to assist in securing proper safeguards against loss of life and property by fire; to keep the subject before the people, especially the young, and endeavor to inculcate the idea that it is a patriotic duty to prevent fires."

The dues are "Faithful Service."

It is desirable that every person should enlist in the army of "Fire Preventionists," especially women, who might well direct their efforts towards the education of the children on fire prevention lines.

When one member is injured all members of the human body suffer with it; so it is with the destruction of our homes, factories and resources by fire—we all suffer. Medical science teaches us that certain diseases are caused by certain bacteria and the only way to get rid of the disease is to attack the microbes by sterilization. We must pursue the same course if we are going to reduce the number of fires. We must eradicate the cause—by amending our careless habits and keeping our premises free from accumulations of combustible rubbish, etc.

The fire waste touches the pocket of every man, woman and child in the country. It is an indirect tax. It is paid in the cost of everything we eat, drink and wear. The fact that most of the money paid by insurance companies, out of the premiums they collect, is for losses caused through carelessness, is a serious indictment against an intelligent, progressive people—an indictment against our "habits."

The launching of the fire prevention movement in Ontario appears to have been at the psychological moment when the public mind was awakened to the seriousness of its responsibility to conserve the resources of the country and the pressing necessity to reduce the enormous waste caused by preventable fires. The scope and possibility of fire prevention work is practically limitless.

In connection with our Fire Prevention Day activities and general "clean-up campaign" throughout Ontario, we distributed about forty-five thousand pieces of literature besides advertising "Extracts from the Fire Prevention Proclamation" in the daily and weekly newspapers and technical press throughout the province.

The publicity in connection with the general propaganda was largely augmented in the cities and towns where mayors, municipal officers, boards of trade, fire chiefs and other public-spirited citizens vied with each other in their efforts to attain thorough and practical results. In some towns a civic holiday was proclaimed in order to properly observe Fire Prevention Day and give every person an opportunity to "clean up." The mayor of one town writes:—"I proclaimed a half-holiday and every person entered into the work with hearty good-will and cleaned out back yards that had not been touched for thirty years."

Exercises were held throughout the province in the various public and separate schools. Addresses on fire prevention topics were delivered. Parades were held by fire departments and signs were attached to apparatus drawing attention to the fire prevention propaganda. Public meetings were held to discuss fire prevention measures and take such other action as was necessary to meet the local conditions.

In nearly every community special features were introduced which were calculated to appeal to the public. The result in many municipalities might be summed up in the words of one of the fire chiefs—"We now have a town of which we are justly proud."

Splendid work was initiated by the principals and teachers in colleges, public and separate schools throughout the province. Encouragement in the study of fire prevention was given to the pupils in various ways, not the least effective of which was the writing of essays. The programmes varied according to the ideas and inclinations of the principals and teachers.

The transportation companies and other large interests took an active part in the Fire Prevention Day movement. The Canadian Pacific Railway Company distributed our lithographed window cards to their agents. Addresses were read to employees at all large centres and telegrams were sent to every agent in Ontario to assist in the "Clean-up Campaign."

What was accomplished by our first observance of Fire Prevention Day in Ontario may be deduced from the foregoing outline of a campaign, the arrangements for which were made in about thirty days.

What may be accomplished in the future is problematical. But when we consider the changes that have occurred and the obstacles that have been surmounted during the last four years, we may look forward with confidence to attain an objective of great importance with decisive results.

BRITISH FIRE INSURANCE RESULTS

Below are the results of 20 leading British fire insurance companies for 1916 and 1917. The figures show, in the aggregate, a considerable increase in premium income, but against this losses were heavy, owing largely to the effect of the Salonika conflagration, and after allowing for the increase in the reserve for unexpired risks, the final result in the shape of underwriting profit was worse than in the previous year. The following is a comparative summary of the totals for 1916 and 1917:—

	1916.	1917.	Movement.
Net premiums	£29,366,984	£33,071,442	+ £3,704,458
Losses	£14,618,555	£17,090,651	+ £2,472,096
Charges	10,758,467	11,762,805	+ 1,004,338
Apparent surplus ..	£ 3,989,962	£ 4,217,986	+ £ 228,024
Deduct increase in reserve for unexpired risks	713,565	1,485,580	+ 772,015
Underwriting profit .	£ 3,276,397	£ 2,732,406	— £ 543,991

Fourteen Canadian superintendencies are among the 100 leaders of the Prudential for proportionate ordinary new business for 1918. All the American companies find Canada good territory for business.

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STANDARD MORTALITY RATIOS

Relation of Height and Weight to Mortality—Varies with Difference in Age

BY J. P. MOORE

Two of the most important factors which enter into the composition of the life insurance risk are the height and weight, and considerable attention is being devoted to the effect on mortality rates of variations from the normal in these factors. The Actuarial Society of America, in conjunction with the Association of Life Insurance Medical Directors, has recently issued a booklet in which figures are given which may be taken, subject to certain restrictions, as standards of mortality ratios incident to such variations. These figures will be found very useful to all engaged in selecting risks for life insurance companies, and a reference to them in *The Monetary Times* may bring them before the attention of some readers who would otherwise be unaware of them.

The data are taken from the report of the Medico-Actuarial Mortality Investigation, published about three years ago, and certain adjustments are now made to provide for the fact that the tables in the report do not distinguish between men of varying heights, which would appear to be rendered necessary by resulting differences in mortality rates. There was also the question of the effect upon the mortality of recently selected lives. If a certain group has a relative mortality improving with the duration of the policy, such as may be found amongst underweights at the younger ages of entry, the resulting ratio in the investigation of actual to expected deaths would be higher than warranted by the facts, and the reverse would be true where the relative mortality increases with duration. Explanation is given in the booklet as to how these allowances are made.

Groups of Tables.

There are three sets of tables, one for men of medium height (5 feet 7 inches to 5 feet 10 inches), one for short men (under 5 feet 7 inches), and one for tall men (over 5 feet 10 inches). Taking those of medium height first, we find that amongst the group whose weight agrees with the normal the actual mortality experienced was less than that expected. For those in the age groups (20-29), the actual was 97 per cent. of the expected, and for those in the group (54-62) it was 92 per cent. of the expected, decreasing with the age for those in other groups. Where the weight is 25 pounds below the normal the mortality is higher than expected below age 34 and lower above age 34. For those 25 pounds overweight the actual mortality is higher than the expected in all the age groups. It will be interesting here to show a comparison of these two groups with the normal. In the booklet referred to, figures are given for a very great number of groups, but for our present purpose it will be sufficient to confine ourselves to those just referred to.

Actual and Expected Mortality.

Percentage of actual to expected mortality in groups of medium height and of normal weight and in similar groups 25 pounds under and 25 pounds over normal weight:—

Age group.	Mortality Ratios. Normal weight.	25 pounds under normal.	25 pounds over normal.
20–24	97	113	101
25–29	97	107	107
30–34	96	103	112
35–39	95	99	114
40–44	94	95	116
45–49	93	93	115
50–53	93	91	115
54–56	92	90	115
57–59	92	89	113
60–62	92	88	112

Similar tables are shown herewith for the short men (under 5 feet 7 inches) and the tall men (over 5 feet 10 inches).

Mortality ratios of short men of normal weight and of those where the weight is 25 pounds below and 25 pounds above the normal, respectively:—

Age group.	Mortality Ratios. Normal weight.	25 pounds under normal.	25 pounds over normal.
20–24	91	101	98
25–29	93	99	107
30–34	94	97	115
35–39	95	95	119
40–44	96	94	122
45–49	96	94	122
50–53	97	94	121
54–56	98	95	121
57–59	99	96	121
60–62	101	98	121

Mortality ratios of tall men of normal weight and of those whose weight was 25 pounds below and 25 pounds above the normal, respectively:—

Age group.	Mortality Ratios. Normal weight.	25 pounds under normal.	25 pounds over normal.
20–24	109	124	115
25–29	106	115	118
30–34	103	107	121
35–39	101	102	122
40–44	99	98	123
45–49	98	94	122
50–53	97	92	120
54–56	96	90	118
57–59	95	88	116
60–62	94	87	114

Conclusions Arrived at.

Comparing the short men with those of medium height, it will be seen that for normal weight the experience is more favorable below age 35, just the same for ages 35-39, and less favorable at the older ages. Where the weight is 25 pounds below normal the experience is more favorable below age 45 and less favorable above that age, and in the heavier class there is a lighter mortality in the age group (20-24), just the same in the group (25-29), and a higher mortality in all the other groups.

A similar comparison of tall men with men of medium height shows for normal weight a heavier mortality throughout, for those 25 pounds below normal weight a heavier mortality up to age 53, just the same for the group (54-56) and lighter mortality for those above 56. The tall men of 25 pounds overweight are worse risks throughout than those of normal height with a corresponding excess of weight.

Had the comparisons of short and of tall men with those of medium height been made on a basis of departure from the normal by percentages instead of by pounds, there would have been some differences in their character, owing to the fact that the same number of pounds variation represents a larger percentage departure amongst short than amongst tall men.

At the younger ages underweights show out worse than the others, but among tall men the overweights show a heavy mortality at all ages. This applies also to the groups where the departure from the normal is other than 25 pounds.

A special study was made of the cases where abdominal girth exceeded the chest expansion, and the following conclusions are arrived at:—

1. The relative mortality of those with large abdominal girth is greater than the already heavy mortality found to exist among the general body of those of corresponding weight.

2. The relative mortality increases slightly with increasing excess of abdominal girth, notwithstanding the fact that the greater such excess the more rigid was the selection by the companies.

3. The excess mortality over that among overweights as a whole was practically a constant percentage of the latter.

Total losses of British steamships during the war (exclusive of October figures) were 8,946,000 gross tons, against which was an offset of 5,443,000 tons in new construction, captures and purchases abroad. The 3,500,000 tons net loss can easily be made good, says an English commentator, if Germany is required to replace from her own merchant fleet the vessels destroyed.

INDUSTRIAL

The Commercial Supremacy of WINNIPEG

IN THE WESTERN FIELD

Is based on more than geographical position. A progressive public spirit has been responsible for a remarkable industrial development. Cheap power, good water, excellent transportation facilities, satisfactory living conditions, and proximity to consuming markets—these factors are sufficient in themselves to explain Winnipeg's expansion. And there are others.

This city may fairly claim to have done its full duty during the long war period. It faces the era of peace and re-construction with confidence and assurance, and welcomes the opportunity to assist in building up a strong, united nationality within the Dominion.

IT MEANS SOMETHING TO BE THE CENTRE OF CANADA

WINNIPEG BOARD OF TRADE:

W. H. CARTER, *President.*

W. B. MOORE, *Managing Secretary.*

Industrial Survey For 1918

Officers of Local Trade Organizations Review Conditions During the Year — Average Prosperity From Coast to Coast Has Been High—Primary Industries and Shipbuilding Have Exhibited Much Progress — Canada Becoming Export Nation.

STATEMENTS reviewing industrial progress throughout Canada during the past year have been received by *The Monetary Times* from secretaries and presidents of representative boards of trade in all provinces. The general impression appears to be that business was better during 1918 than during the previous year. The following statements have been selected as typifying the experience of other similar districts during the year:—

Victoria and Vancouver Island.

The past year in Victoria has seen a marked improvement in trade and industrial conditions generally. Shipbuilding has been the most active industry, a number of vessels having already been completed for the Imperial Munitions Board, with others under way. The Cholberg Shipyards have a contract for seven 1,500-ton sailing schooners, to be built for Norwegian interests. These boats will later be equipped with engines in Norway. The Cholberg yards at present employ 200 men and will add to this number.

The Foundation Company, Limited, have contracts for twenty 3,000-ton vessels, full power, to be built for the government of France, and fifteen months will be required to complete the boats under contract. Three thousand men will be employed almost at once, and by February 1st, 1919, the company expects to employ 4,500 men. The assembly plant for the Imperial Munitions Board it situated at Ogden Point, Victoria. As soon as the hulls built in Birtish Columbia are completed and launched they are taken to Ogden Point and the machinery and interior fittings installed. The Victoria Machinery Depot have just completed arrangements for the building of four steel ships for the Dominion government. These ships are to be of 8,100 tons each, and, besides the actual signed contracts, the company has assurances of enough construction to keep the yard going for several years. The shipbuilding activity has stimulated business in many kindred lines. There are about seventy manufacturing plants of different kinds in Victoria, and their business during the past year has been most excellent, the shortage of labor and materials being the only disadvantages.

Vancouver Island is nearly 300 miles long and 85 miles wide, and is very rich in natural resources. Owing to the demand for raw materials and products of every kind, the west coast has had a busier season than for many years past. The canneries and whaling station have been able to dispose of their entire output at a good figure, the British government buying all the canned fish available for the soldiers in France. Other industries that have had a busy season on the west coast are mining, lumbering, pulp and cold storage plants, representing an outlay of many millions of dollars. With the end of the war in sight, Victoria and Vancouver Island are looking forward to an ever-increasing prosperity and development.—Secretary, Victoria and Island Development Association.

New Westminster, B.C.

Industrial conditions are better than they were in the previous year, and with the Dominion government proposing to develop mineral ores, establishing smelters for refining ores, it is incumbent upon us to do all that we can to share in the prosperity which these measures will produce in the future, as it will naturally follow that many industries connected with the manufacture of metal products will be established. We are to-day dependent upon foreign countries for all metal products, a condition of things which should not be allowed to prevail, and it is in the interests of the province, Dominion and the Empire that the assets of British Columbia should be realized, and, instead of importing manufactured metals, which means the continued draining of our wealth, the province should be exporting such goods to the markets of the world. Why should we purchase sheet metal from Pennsylvania, the iron ore for which is mined at Lake Superior, taken east in its raw state, and then comes back along the same route to this province, with its duplicated cost of transportation added to the manufactured articles? It is claimed in many quarters, and no doubt will prove true, that the best markets in the world after the war will be in the Orient, which is another reason why the government should favor British Columbia in the project proposed, as it is the gate through which British trade will flow to the Orient, and will occupy a point of vantage in competing for trade.

The permanency of shipbuilding of this coast also depends on securing material for steel ships in the province, as a shortage of supplies will probably arise from the great demands made for shipbuilding purposes in all countries during the period of making good the losses caused by submarines and mines.

The community spirit, which receives so much attention at present, could be used to the greatest advantage in promoting the welfare of the province along these lines, provided that industrial development should receive consideration from a provincial point of view rather than from local wire-pulling, the most suitable sites being utilized for all purposes.—President, New Westminster Board of Trade.

Edmonton, Alta.

After the experiences of the year just passed the business men of Edmonton are realizing, as they have never done before, the comparatively small extent to which Edmonton's business and prosperity is dependent upon the wheat crop in its tributary territory, and the economic advantage accruing to that community whose prosperity is based rather on those less hazardous forms of husbandry for which conditions of soil and climate throughout most of central and northern Alberta are peculiarly favorable. There has been a very general belief that the condition of the wheat crop in surrounding territory is an infallible barometer as to business conditions in any western community. Even here in Edmonton that impression was largely prevalent. The past season has done much to discredit that belief, so far as the Edmonton country is concerned and to demonstrate that the deciding factor in permanent prosperity is not wheat, but beef, milk and pork.

During 1918 climatic conditions in central and northern Alberta were the most unfavorable ever experienced, and in consequence the wheat crop has been, not a total failure, as was thought during the late summer, but a partial failure, the yield being far below the normal average. Severe business depression in Edmonton ought to have followed if the common belief is well founded, and would inevitably have followed had Edmonton's like comunities situated in less favored sections, where conditions are not so highly favorable for animal husbandry, been wholly or mainly dependent on wheat.

The facts are that business has been better in Edmonton throughout 1918 than in 1917, or in any year since 1913. Many wholesale houses report business better than any previous year in their history, and the others report the largest volume of business since the height of the boom. Similar reports come from several Edmonton factories. Two important enterprises making different lines of wearing apparel, have had to move to much larger premises and greatly increase their capacity, and the time is not in sight when they can overtake their orders. The biscuit factory has found it necessary to double its floor space and capacity. Retail business has been correspondingly good, and the leading retailers in all lines report their 1918 volume of business the largest since 1913, and several say it has been the best in their history. Bank clearings in 1918 have shown steady and consistent increase over 1917, every month and almost every week, the total for the first ten months of 1918 being $138,223,402 as compared with 111 millions for the same period in 1917 and less than 90 millions in 1916. (November and December figures not available.)

Even the building trades, which have been utterly stagnant since the collapse of the boom, have shown some activity. While no important buildings have been erected, up to the middle of November 120 permits had been taken out

for buildings costing over $340,000—not an important figure for a city of 60,000 population, but very significant as indicating that the demand for buildings has overtaken the enormous over-supply erected five or six years ago. Rental agents report the demand for residential property very greatly improved and rents stiffening appreciably, and that there is nothing to be had in the way of retail business premises in desirable locations.

Here is the explanation: While the elevators are handling less grain than usual, the big meat packing plants have had the biggest year in their history, and their purchases have exceeded last year by at least 20 per cent. in tonnage and over 50 per cent. in value. The Edmonton stock yards has had to enormously increase the capacity of its pens, and its operations will exceed those of any previous year by nearly 200 per cent. Our several big creamery enterprises—one of which has the largest butter output of any in Canada—will show a considerable increase in output and a larger increase in payments to farmers.

When a country with particular advantages for the cheap and profitable production of butter and cheese, beef, hams and bacon, and mutton and wool, begins to seriously develop those advantages, with wheat as something of a side line, it is well on the way to a degree of prosperity and stability of business conditions which can never be attained on wheat as the sole or main issue. The Edmonton country can, and usually does, produce big yields of wheat, but it is no longer dependent on them. Hence, while a few country merchants have required extra time to meet bills due, and some farmers who had figured on their wheat crop to take care of mortgage obligations, have been unable to meet those obligations, confidence in the country's soundness has been strengthened rather than impaired by the experience of 1918.—Secretary, Edmonton Board of Trade.

Lethbridge, Alta.

Owing to the enormous pressure that was brought to bear upon the farmer to seed every possible acre that he could last year, and the desire of our farmers to comply with this demand to the utmost, our farmers overstepped the line of prudence, and, contrary to their own judgment, seeded very much land in 1918 that, under normal conditions, they would have summer fallowed in preparation for the 1919 crop.

This land, owing to general drought conditions, did not yield, and in some parts of the province, particularly in the easterly part of Alberta and into Saskatchewan, the crop on land so seeded was a failure.

But properly prepared land in practically all localities has yielded a fair return; the average in that part of Lethbridge district around Monarch, Barons, Nobleford, Raymond and Cardston and some other sections will probably run around twenty bushels to the acre of wheat, while all over this section there are fields that have yielded well.

In the immediate neighborhood of Lethbridge, Coaldale, Raymond and Magrath, notwithstanding the very high costs of labor, etc., the farmers who have irrigation water on their lands generally are very prosperous.

Many fields of hay yielded well up to three tons to the acre, and alfalfa, for the season, about four tons, and other crops in proportion.

On the farms in Alberta generally many of the farmers did not have as much land under summer fallow as did their neighbors in Saskatchewan and Manitoba in the more fully developed districts; but all of our farmers, realizing the world's need for food, were induced to seed all of their land in the hope that nature would supply the moisture to produce the crop, but a season of less than the average rainfall defied their efforts.

The mines around Lethbridge, some of them actually almost in the city boundaries, have been producing large quantities of the excellent domestic coal for which they are famous, and the output to fill orders has been limited only by the amount of labor available to get the coal out.

Lethbridge put up nearly a million and a quarter dollars for the 1918 Victory Loan, while the surrounding territory, which does its daily business with Lethbridge, subscribed over four million dollars.

This and the continued steadiness of the Lethbridge weekly bank clearings of around a million dollars give evidence of the established prosperity of the whole district.—Secretary, Lethbridge Board of Trade

Saskatoon, Sask.

The cereal crop this year in the northern half of Saskatchewan, and particularly in the territory most directly served by the city of Saskatoon, is thrashing out far better than was expected in the latter part of July. Late rains had a most beneficial effect, and, while the volume of distributing business is hardly as great as might have been expected had the crop been as heavy as those anxious for the welfare of the Allies hoped, the price is not low, many farmers are getting good returns, and merchants are doing a brisk fall business.

Two large flour milling concerns are now operating here with marked success, shortage of labor being the chief difficulty with which we have to contend at the present time. No doubt the advent of winter and the release of men from work will set matters right in a short time.

The Saskatchewan Co-operative Creameries, Limited, which this year opened a large cold storage warehouse here, is proving of great benefit to the city and district, and large quantities of perishable foodstuffs are now being kept here which otherwise would have left the province. Saskatchewan is coming more and more to rely upon its own production of beef, mutton, bacon, poultry, butter and eggs. Not only are we supplying our own needs, but are also exporting.—Commissioner, Saskatoon Board of Trade.

Port Arthur, Ont.

During the past year the conditions existing at the Canadian head of the lakes have been, notwithstanding the great war, extremely good. Our workers have been securing all the labor they were capable of performing, with the most remunerative wages. Our pulp mill, lately erected, has been running continuously, night and day, with its product in great demand, and using about 40,000 cords of spruce a year, all obtained from local contractors and settlers. The pulp produced in this mill is equal to the best produced on the American continent. When machinery can be more easily procured than at the present time, this plant will be enlarged according to the original programme of 150 tons a day, and a paper manufacturing plant in addition.

Our shipbuilding industry has also been operating with the greatest efficiency. The ships from this plant have received the highest praise for workmanship, and, when we consider that the full equipment for each vessel is manufactured and furnished in the yards of this splendid plant, Port Arthur may, indeed, be congratulated. Three trawlers and one ocean-going tug are now under construction at this yard, making, since 1916, ten freighters, thirteen trawlers and one tug.

This year will see the completion of the elevators begun in 1916. The aggregation of this elevator construction in Port Arthur amounts to approximately 7,000,000 bushels, making our total approximately 24,000,000 bushels. When we consider that in 1900 our elevator capacity was 300,000 bushels, or 5 per cent. of the elevator storage at the Canadian head of the Great Lakes, whereas now we have close to 45 per cent., the adaptability of Port Arthur as the ideal site for large terminals is demonstrated.

Perhaps one of the most important events in the life of our district is the development of Nipigon power by the Hydro-Electric Power Company. This means an additional 130,000 horse-power, taking in six falls and including the Nipigon River.—Secretary, Port Arthur Board of Trade.

Fort William, Ont.

All branches of industrial activity have been working at full capacity, notably the shipbuilding plants.

The Great Lakes Dredging Company are engaged building wooden ships to the order of the Imperial Munitions Board. The Canada Car and Foundry Company are engaged building mine-sweeping ships to the order of the French government. Those two plants alone furnish employment to upward of 2,000 men. The nature of the work demands a high percentage of skilled labor; the wages paid are consequently high.

The Canada Feed Manufacturing Company are working night and day. Business has increased to such an extent that a large addition to the plant is contemplated. They manufacture cattle and hog feed.

Increasing industrial activity means a higher purchasing power to the public, and retail trade is exceptionally good.—Secretary, Fort William Board of Trade.

Chatham, Ont.

The new Libby, McNeil and Libby factory is running night and day, and reports a splendid year. This is a large new plant, and is the headquarters for Canada of this very large company, with head office in Chicago.

The new Dominion Sugar Company factory is also having an excellent year. The Denby Motor Truck Company, of Detroit, have organized a Canadian company and are erecting a new factory here. This company has very bright prospects, and will undoubtedly be one of Canada's largest concerns. They will manufacture motor trucks exclusively, one, two, three, four and five-ton trucks. Other factores are all running full time and the prospects are very bright.—President, Chatham, Ont., Board of Trade.

Guelph, Ont.

The city of Guelph, forty-eight miles west of Toronto and twenty-eight miles north of Hamilton, is very advantageously situated, being the centre of one of the most fertile agricultural districts in the province of Ontario, being the distributing centre for all that district lying to the north of the Grand Trunk Railway and extending up to the Georgian Bay.

Guelph has long been a very active industrial centre, having quite a number of steel and iron industries, as well as being the centre of the textile industry in the province of Ontario.

Some of the principal manufactured products are: radiators, hardware, specialties of all kinds, iron pipes for all purposes, piano plates, stoves and ranges, pianos and organs, sewing machines, metal culverts, Wilton, Axminster, Brussels, velvet, tapestry rugs and carpets, linens of all kinds, quite a number of munitions, malleable iron castings, gasoline engines, tractors, automobile tires and rubber goods of all descriptions.

All factories here are busy, several of them working overtime, and quite a number have added extensions to their plants during the past year. Among them may be noted: The Taylor-Forbes Company, manufacturing munitions, radiators and hardware specialties; the F. E. Partridge Rubber Company; the International Malleable Iron Works; the Gilson Engine Works, manufacturers of gasoline engines and tractors; the Dominion Linens, Limited, which has recently taken over an adjoining factory—machinery for which will be installed within the next few weeks—for the purpose of flax spinning, which opens up an almost unlimited field.—Secretary, Guelph Board of Trade.

Hamilton, Ont.

The only new industries that have located here during the past year are the Monarch Metal Company ($250,000), which has built a new factory at the end of Main Street West, and the Canadian Toys, Limited, which has a factory on Sherman Avenue North. The scarcity of electric power and difficulty in securing labor and materials, save for the manufacture of essentials, as well as the high cost of building, have made it almost impossible to secure new industries during the past couple of years. There has, however, been considerable development of existing industries. The Steel Company of Canada has about completed a three million dollar coke and gas plant, which will be in operation between now and the beginning of the new year. It has also started work on a new office building, which will cost from $75,000 to $100,000. The Dominion Foundries and Steel Company has also several large additions, and is now working on a pattern building at a cost of $75,000, and has plans for an office building to cost about the same amount. The Hamilton Bridge Works Company has completed one large addition to its east end plant and will start another addition in the very near future to take care of its orders for steel ship ribs. The Canadan Cartridge Company is working on a very large addition to its plant on Sherman Avenue, while upwards of a quarter of a million dollars has been expended on the Westinghouse building in the west end to provide accommodation or the aviation school. This company has also erected a very large new office building in connection with its plant in the north-east end. The Fox Chain Company ,of New York, has made all arrangements to locate here, probably in the factory building at the corner of Earl and Princess Streets. Wagstaffes, Limited, have built an addition for the manufacture of fruit peels. This is a new line of industry in Canada, never having been attempted before. The Ford Smith Company has erected a large plant on Cavell Avenue with a view to amalgamating its present three industries. The Swifts Canadian Company has built a new storage warehouse on Jarvis Street on part of the property formerly occupied by the Hamilton distillery, while Brown Boggs Company has erected a large machine shop in connection with its Sherman Avenue plant. The Hart Wheel Company has purchased the building formerly occupied by the Baynes Carriage Company, and is now moving from its Barton Street premises into the larger and more commodious quarters. The Glendale Spinning Mills, incorporated at one-half million dollars, started operations this year in a new factory on Glendale Avenue, but this was included in the industrial review for 1917. The E. T. Wright Company, Imperial Cottons, Frost Wire Fence Company and Slater and Barnard are among the other industries that have built considerable additions this year.

On the whole, the industrital outlook for Hamilton is exceedingly bright, more particularly for the years immediately following the cessation of hostilities. During the present year we have had correspondence with a very large number of United States industries that are gathering information with a view to locating as soon as peace is declared and conditions become more normal. I can say with confidence that Hamilon will get its full share of these. In fact, several of them have informed me that they have definitely decided to make Hamilton their Canadian headquarters, but, owing to the abnormal conditions existing now, nothing will be done for the time being.

Hamilton's population, according to figures compiled by the assessors prior to October 1st is 110,137, an increase approximately of 2,500 during the past year. The assessment is now $88,954,620, an increase of approximately $6,000,000, due not only to the erection of new buildings, but largely to the fact that the manufacturers' annex this year became liable for full assessment, having up till the present enjoyed a set fixed assessment.

The building statistics for the year have not yet been completed, but the value of building permits for the first nine months was approximately $2,000,000, about the same as for the corresponding nine months for the preceding year. As intimated before, building trade conditions cannot be said to be highly satisfactory, owing to the high cost of labor and materials. There have, however, been upwards of four hundred houses built during the past year, but there is still a dearth of smaller houses for rent and sale. This is a condition of affairs which I expect to speedily right itself when general conditions become more normal.—Commissioner of Industries, Hamilton.

St. Catharines, Ont.

The industries of the district are working 25 hours a day being crowded not only with munition business, but all report a greatly increased demand for normal products of the factories. The season has been a wonderful one for the farmer, a fair crop with exceedingly high prices, the one difficulty being the flow of labor to the industries. The district is supplied by power not only by the Hydro but by the Dominion Power and Transmission Co., and the acute power shortage on both systems has delayed formation of new industries requiring unusual blocks of power. When additional power is available normal industrial load will proceed at a greatly increased speed.—Secretary, St. Catharines Board of Trade.

Port Hope, Ont.

Port Hope is situated on Lake Ontario, and is in the county of Durham. It is served by three main lines of railway, as well as the Midland Division of the Grand Trunk. There is an excellent farming country in the district, and Port Hope is the centre for the eastern portion of Durham and West Northumberland and as far north as Rice Lake. The town has two large industries: the Nicholson File Company and the Port Hope Sanitary Manufacturing Company, as well as a number of smaller concerns. The farmers have all prospered since the war, and their business in the town has increased as a result. The industrial situation has remained about the same.—Secretary, Port Hope Board of Trade.

Ottawa, Ont.

The principal industries of Ottawa being lumber, pulp and paper, while enjoying a good demand, the trade has not necessarily been a remunerative one, owing to the extreme scarcity and high cost of labor and its lack of pre-war efficiency, besides the high cost of bush and mill supplies. The pulp and paper industry has also been suffering from price and trade restrictions, making it a very difficult and complex one to handle, in fact, contemplated new enterprises, in addition to enlargement and improvements in existing plants,

have undoubtedly been dropped on this account for the time being.

The prospects for 1919 in these lines of trade are very indefinite at the present time owing to continued shortage of labor for the bush, resulting in a much curtailed production of the essential raw materials.

There has been no marked change in manufacturing plants this year either in the way of enlargement of existing plants or in construction of new ones, with the exception of the British-American Nickle Company's new electrical refinery at Deschenes, Que., which is well under way, and which, when completed next fall will likely employ a staff of some 400 to 500 men. This company has been located in this district owing to their being able to get the necessary electrical energy here to advantage, Ottawa and vicinity being practically the only district in Ontario where ample electrical power is still available at reasonable rates.

Wholesale and retail trade in other lines has been fair only, owing to the unusual weather conditions existing throughout the year, and the influenza epidemic, with consequent board of health restrictions, naturally curtailing buying and selling generally.—Secretary, Ottawa Board of Trade.

Sherbrooke, Que.

Sherbrooke, Que., now with a population of 23,347, has been particularly favored with shell business since the opening of the war, and we might say that all our industries have been working on war products. Industries have increased their plants to a considerable extent and will be ready to resume their former work on short notice immediately after the demand for war products is over.

Sherbroke, since fifteen years, has municipalized her electric system and has developed it continuously. On November 10th, 1918, her new central distributing station for industries was inaugurated. This station is used exclusively for the current developed at the "Two Miles Falls" power, some 40 miles from the city. Sherbrooke, Que., is in a position to offer electric power at the cheapest price in America, both for industry and individual.—Secretary, Sherbrooke Board of Trade.

St. John, N.B.

The industrial plants in and about St. John have been very busy during the current season, despite the shortage of labor which affects many branches and the difficulties resultant from war conditions. The machine plants, cotton mills, nail factories, tanneries, brush plants and wooden-ware mills have been working to capacity. The Atlantic Sugar refining plant has had a busy season, but it has been somewhat restricted in its operations by lack of transportation for the raw product. It has been suggested that this might be overcome by the placing of some of the new war steamers in the sugar trade for a period. Transportation conditions have likewise affected the lumber industry, but most of the mills are running. Large quantities of lumber are held on Imperial account both here and throughout the province. Doubtless before long this will be moved.—Secretary, St. John Board of Trade.

Prince Edward Island.

Prince Edward Island may be said to excel in its absence of general manufacturing, but it certainly handles its natural resources in so far as its equipment will allow. The packing of lobsters and other fish is an established industry which, under present war prohibition, has been all that could be expected. The canning of vegetables and fowls is demanding some attention and in due time may be extended, as this industry and the natural supplies therefore deserves. The manufacture of butter and cheese has continued in its regular volume and the quality of these two food essentials is second to none. The manufacture of potato starch has been an established and profitable undertaking for many years, and the past year has proved probably more successful than usual.

The broadening of the gauge of our island railway, which has been commenced, and which we are hopeful will be partially in operation by the time this appears in type, will place the province of Prince Edward Island in a position whereby the car ferry service connecting us with the mainland will really prove useful and we hope this great step in advancing our transportation problems may add a great stimulus and permanent growth to our industries, which have in the past been conducted under great transportation disadvantages.—Secretary, Charlottetown Board of Trade.

TIMBER RESOURCES OF BRITISH COLUMBIA

Description of Trees of Province, Which Possesses One-half of Dominion's Standing Timber

By Patrick Donnelly.

The most readily available, if not the most important, of British Columbia's natural resources is her immense timber reserve, which contains more than one-half of the standing timber of the entire Dominion. British Columbia has the largest and most compact area of merchantable standing timber left in the world to-day, the known area covering well over one hundred and eighty million acres of forests and woodlands, the stand being estimated by the Minister of Lands to total not less than four hundred billion feet. As far north as Alaska the coast is heavily timbered, the forest line following the indentations of the shore and river valleys and fringing the mountain sides. Two-thirds of the total stand of the timber in the province is on the coast, though the area is only one-quarter of the whole. As is well known the greatest forest region in the world, without exception, is the Pacific slope of North America. It extends along the continent north and south for upwards of 2,000 miles, and from the Pacific Ocean eastward to the Rocky Mountains. British Columbia occupies the north central portion of the Pacific slope. The Pacific forests are composed almost entirely of softwood (i.e., coniferous or evergreen) species, the few hardwoods rarely occurring in commercial quantities. This fact is an added advantage because softwood lumber, on account of its lightness, strength and ease of working, is the most useful for general purposes, and comprises over three-quarters of the world's wood consumption to-day.

There are two distinct types of forests, the coast and the interior type. The principal trees indigenous to the province number some thirty-seven, while the principal commercial woods number twenty-one as follows:—

Balsam, Fir (Abies amabilis).
Balsam, Fir, Lowland (Abies grandis).
Balsam, Fir, Mountain (Abies casiocarpa).
Birch, Paper (Betula albavar, papyrifera).
Birch, Western (Betula occidentalis).
Cedar, Western Red (Thuya plicata).
Douglas Fir (Pseudotsuga Douglasii).
Hemlock, Western (Tsuga heterophylla).
Maple, Broad leaved (Acer macrophyllum).
Pine, Jack Lodge-pole) (Pinus Myrrayana).
Pine, Western White (Pinus monticola).
Pine, Western Yellow or Bull (Pinus ponderosa).
Poplar, Aspen (Populus tremuloides).
Poplar, Balsam (Populus balsamifera).
Poplar, Cottonwood Black (Populus trichocarp).
Spruce, Black (Picea marina).
Spruce, Engleman (Picea Englemanii).
Spruce, Sitka (Picea sitchensis).
Spruce, White (Picea canadensis).
Tamarack (Larix laricina).
Tamarack, Western Larch (Larix occidentalis).

In the coast region for 150 miles north of the international boundary and including most of Vancouver Island the forests are of the Douglas fir-cedar-hemlock type, with balsam, spruce, white pine and yellow cedar as secondary species. For the next 100 miles, where the temperature is lower and the precipitation heavier, red cedar predominates, with fir occurring only at the heads of the fiords which indent the coast and where the precipitation is lower. Associated with red cedar are hemlock, spruce, balsam and yellow cedar. On the northern coast the following species occur in order of predominance, hemlock, spruce, balsam, red cedar and yellow cedar. Though confined to a comparatively narrow range the Douglas fir forms over 30 per cent. of the stand, with red cedar 27 per cent., hemlock 24 per cent., balsam 9 per cent., spruce 7 per cent., yellow cedar 2 per cent., white pine ½ per cent., and lodge-pole pine and cottonwood ½ per cent.

In the interior plateau region drier conditions permit a much wider distribution of Douglas fir which extends to the north of the Grand Trunk Pacific Railway and in the southern region western yellow pine and western larch are added to the forest species. Taking the interior forests as a whole, spruce forms over 40 per cent. with red cedar, balsam, fir, hemlock, lodge-pole pine, yellow pine, larch, white pine and cottonwood in order of predominance. The high percentage of spruce is due to its prevalence in the northern interior and plains region.

Want of space precludes a detailed description of all the commercial woods of the province but the most important of

them, viz., Douglas fir, western red cedar, western hemlock and Sitka spruce deserve special mention.

The most widely distributed and valuable timber on the Pacific coast is the Douglas fir, named after David Douglas, a famous botanist, explorer and traveller, who explored British Columbia (then called New Caledonia) in 1825-30. It grows as far north as 51 degrees, where it is supplanted by the yellow cypress or yellow cedar, the red cedar or giant arbor vitae, western hemlock and Sitka spruce. The Douglas fir is found from northern British Columbia to Mexico, and from the Rocky Mountains to the Pacific coast, covering a range of over one million square miles. It is the staple timber of commerce and is valuable for its durability. It has about the same specific gravity as oak, with great strength, and no other one species is so well adapted for such a variety of uses, being especially adapted for heavy construction work. It is the world's "all utility" wood. As a structural timber it is unsurpassed. The best average trees are 150 feet clear of limbs and 3 to 6 feet in diameter. On the coast it attains immense proportions, sometimes 300 feet high and over, with a diameter of 15 feet and over, and with the single exception of the giant sequoias of California, it is the world's largest timber tree.

The wood of the Douglas fir is equally as strong and is much lighter (22 per cent.) than that of its nearer competitor—long-leaf pine, also known as pitch or southern pine. Douglas fir increases in strength as it seasons. When sawed tangentially (slash grain) it shows a beautiful figuring, takes a fine polish and is very attractive for interior finish of every description. Great bodies of this timber are found on Vancouver Island, the coast of the mainland, and in the Selkirk and Gold Mountains. Of the former stand (Vancouver Island) alone it is said that if a million feet a day were cut for 300 days a year, it would take over forty years to exhaust the supply. In the United States of America the Douglas fir usually goes by the name of Oregon pine. The stand on the Canadian side of the line is now, of course, much larger than the other, and the timber is found to be of better quality. The Great War was the cause of the revival of the wooden ship and numbers of auxiliary schooners, steamers and other craft were built at Vancouver, Victoria and other British Columbia coast points in 1916-18. These ships were constructed of Douglas fir and no better timber could possibly be found for the purpose. The old and seasoned Douglas fir stumps on logged off lands furnished an almost inexhaustible supply of natural crook knees so largely used in wooden ship construction and were a factor in the solidity and durability of the craft. Douglas fir has yielded for ship building purposes logs of clear timber of from 42 to 92 feet long and running from 50 to 77 inches in diameter and containing from 9,000 to 10,000 feet per stick.

As an instance of the durability of Douglas fir under trying conditions it may be noted that in the spring of 1917 wood pipe made of it was taken up at Seattle, Wash., and that after use for sixteen years as a water main was found to be practically as sound as when put down, the strength of the wood being 88 per cent. of the strength of new wood. The tallest one-piece flag-pole in the world is of British Columbia Douglas fir. This pole is 220 feet long, 4 feet square at the butt and 11 inches in diameter at the top, after being seasoned outside for over a year. It was presented to the Kew Botanical Gardens of London, England, by the British Columbia Government. The tree grew on the shores of Gordon Pasha Lake, not far from Vancouver. After being felled and trimmed it was towed to that city, hewed to shape, seasoned for over a year and then shipped direct to London on the deck of a tramp steamer in 1914.

Cedar, Hemlock and Spruce.

Next to the Douglas fir in importance ranks the western red cedar, the western hemlock and the Sitka spruce, all of great value and in great demand.

Western red cedar is very durable and practically immune from decay. It is exceptionally light, soft and of close, straight grain, remarkably free from warping, shrinking or swelling. The wood has a slight aroma, pleasing and permanent, but is perfectly free from pitch. It is the great shingle wood of North America. Used for all purposes in which the material used is exposed to the weather or in contact with damp soil. From this tree the Indians of the Pacific coast hollowed out their war canoes (the largest in the world), split the planks for their lodges (houses) and carved the celebrated totem poles which decorate their villages and commemorate their tribal history. From the fibres of the inner bark they made their ropes, fish nets and lines, blankets and thatches for their lodges, etc., etc. The wood of the western red cedar takes a beautiful polish, is easily stained and largely used for interior finish of all kinds. The trees attain large proportions, second only to the Douglas fir, and many of these giants of the forest are known to be over one thousand years old.

Western hemlock, abundant in the province, is very different from and much superior to the eastern species. It possesses qualities which make it as serviceable for many purposes as higher priced lumber. The wood is light, fairly soft, strong, tough, straight grained, not splintery, odorless and tasteless. Contains no pitch or resin and is free from warp. It has a handsome figuring or pattern when sawn slash grain (tangentially) and takes a high polish. While not quite equal to Douglas fir for structural purposes it has 88 per cent. of its strength and is without a rival for some purposes. It is quite a large tree and mature specimens will range from 125 to 150 feet in height and 2 to 5 feet in diameter.

Sitka spruce. The characteristic spruces, especially the Sitka spruce, are much sought after. The Sitka spruce with its tall, straight boles, with their moderate taper, furnish saw timber of the best quality and in largest dimensions, unusually clear and free from defects. The wood is soft and light, but tough and very strong for its weight. It is even-grained, long-fibred, easily worked, non-resinous, odorless, tasteless, flexible and resonant. Does not warp or split. In aeroplane construction it has proved itself superior to any other wood—in fact, it is the only satisfactory timber for that purpose. It is also a large tree, the best average timber sizes are 150 feet by 4 feet, but many trees are cut that run 200 feet by 10 feet to 15 feet and even larger. The Great War caused a large demand for spruce for aeroplane construction and resulted in great activity in the large stands of this timber on Vancouver Island and other islands along the coast of the province. The yield from some of the trees cut was remarkable as the following instances will show:—A spruce tree cut at Nitinat Lake, scaled by a well-known scaler (Geo. McKay), contained 17,900 feet of No. 1 clear spruce. Again, at Cumshawe Inlet, Queen Charlotte Islands, trees were cut which scaled 40,000 feet in three logs, the smallest log measuring 6 feet 8 inches at the top end, and the largest at the butt 11 feet 4 inches.

Others of Commercial Value.

Among the many other trees of commercial value manufactured into lumber may be included the other spruces, white pine, balsam, yellow cedar or cypress, yew, broad-leaved maple, alder, cottonwood, etc.

Of the area of land in British Columbia which is capable of producing forests not over 8 per cent. has any agricultural value. The forests reproduce well naturally and if protected from fire will supply wood crops aggregating many times the present cut. Speaking of the fire menace the investigation by the Commission of Conservation on British Columbia Forests Resources has just brought to light the fact that approximately 665,000,000,000 feet board measure has been lost to this province through forest fires. The chief forester of the province claims that there are in British Columbia produced each year five times the annual cut and that everywhere burned over and logged off lands are being rapidly reforested. Or, in other words, about one-fifth only of the annual growth is being cut at present. In connection with forest growth it must be remembered that the British Columbia coast climate produces as much timber in sixty (60) years as can be grown elsewhere in the Dominion in a century. The outlook is especially favorable for the timber resources of British Columbia inasmuch as she enjoys special advantages. The province has profited by American experience and undertakes forest supervision before her magnificent resources have been to any great extent dissipated. British Columbia has close at hand a profitable outlet in the prairie provinces which must become more and more dependent on her for timber for agricultural homes and pursuits. The opening of the Panama Canal brings British Columbia commercially nearer to the mother country by some six thousand miles. The Orient and Australasia offer a vast field for the exploitation of the timber resources of British Columbia. It should be remembered that the quantity of merchantable timber in the Dominion outside of British Columbia is much less than was popularly supposed up to a short time ago. The recent ante-bellum official report of the Royal Commission on Forestry (Great Britain) regards British Columbia as containing "the richest of the Empire's forest lands," and referring to "the fact of the extent to which some of the finest forest resources of the world are rapidly undergoing a process of almost prodigal depletion," comments on British Columbia timber as follows:—"The value of the standing timber (in British Columbia) is destined to rise to heights that general opinion would consider incredible." Coming from such an authoritative source these comments further emphasize the importance to British Columbia of her vast timber resources.

Canada's Greatest Railroad System

Growth of Canadian Pacific Railway Reviewed—Relations of the Company with Growth of Population and Industrial Development—President Reviews History of Company at Annual Meeting Held on May 1st, 1918

BY RT. HON. LORD SHAUGHNESSY, K.C.V.O.

UNDER the terms of the contract of October 21st, 1880, between the government of Canada and the syndicate acting for the Canadian Pacific Railway Company in anticipation of the charter, the government undertook to give, by way of subsidy, to assist the company in carrying its enterprise to successful completion, certain sections of railway between Lake Superior and Winnipeg and between Savonas and Port Moody in British Columbia then in process of construction under government auspices, $25,000,000 in cash and 25,000,000 acres of land suitable for settlement. After work had been in progress for two or three years it was found that the cost was substantially in excess of the estimates, and the company applied to the government for further temporary aid by way of loans. When, in 1885, the repayment of the loans was being arranged, the government decided to accept in part payment a return of 6,700,000 acres of the land grant in place of $10,000,000 in cash; in effect, therefore, the subsidy consisted of $35,000,000 in money, 18,300,000 acres of land, and the sections of railway in process of construction by the government to which reference has already been made.

At the outset the company had expected to raise the requisite funds for the execution of the work by sales in the English market of capital stock and of bonds secured by the land grant, thus keeping the railway property free from bonded debt, but it soon became manifest that this was impossible, and, therefore, parliament was asked to authorize and did authorize the issue of $35,000,000 5 per cent. first mortgage bonds and $65,000,000 ordinary share capital. Despite a determined effort on the part of the directors to give confidence to investors by depositing in cash with the government of Canada an amount sufficient to meet a government guarantee of dividend at the rate of 5 per cent. per annum on the common stock for ten years, unfriendly influences at home and abroad were so prejudicial in the English, American and Continental markets that the original $65,000,000 only yielded to the treasury of the company an average of somewhat less than 46 per cent. of its face value. The unwillingness of investors to pay a higher figure for the stock in those early days need not be considered extraordinary, however, when we learn that as late as 1895, when the railway had been completed and in operation for more than nine years, the stock was offered in the market at as low as 33 per cent. with but few takers.

In 1885 the president of the company, now Lord Mount Stephen, induced Baring Brothers to find purchasers for the $35,000,000 first mortgage bonds, and by this means the company was enabled to repay the loans from government and to meet its floating debt.

Acquisition of Branch Lines.

It was evident that the main line described in the agreement, serving as it did thousands of miles of territory almost uninhabited, could not be kept going unless it was brought into touch with the more important commercial centres of Eastern Canada and was provided with branch lines and connections that would contribute traffic to its rails, and, therefore, arrangements were made to reach Montreal, Ottawa, Toronto, and at later stages Quebec, Hamilton, the more important manufacturing towns in Ontario and Quebec, and the winter port at St. John, N.B., and connections were established at various points along the frontier from the Atlantic to the Pacific with railway systems in the United States. These extensions, feeders and connections were obtained by agreements with a number of Canadian companies for the acquisition or lease of their properties, the consideration in most cases being a guarantee of interest on their securities by way of rental, and in other cases the company's credit was utilized for the construction of new lines. In circumstances when the interchange of traffic was a matter of prime importance, the connecting lines in Canada were only built to the International Boundary after the company had taken the requisite steps to ensure the observance of traffic agreements by the railway lines on the other side of the International Boundary.

Inevitably this policy would lead to a variety of securities in the shape of bonds assumed by the company with reference to acquired properties or created and issued to furnish money for construction of new lines, each series secured by a mortgage on the particular property to which it applied.

Consolidated Debenture Stock Issued.

In order to avoid this undesirable situation the company decided, with the consent of parliament, to utilize consolidated debenture stock for the purchase or conversion of existing bonds, and to provide funds for building or acquiring such additional mileage as might appear to be required from time to time for the advantage of the country and the company. This consolidated debenture stock is perpetual and irredeemable, differing from a mortgage bond in that it gives no right of foreclosure in the event of default. The holders have a first claim on the revenues of the company for their semi-annual dividends after the working expenses and taxes or fines have been paid, and the contract demands of existing bond-holders have been satisfied. If by any chance the company failed to pay, within a fixed period, the dividend accrued on the consolidated debenture stock the holders of that stock would become the shareholders of the company and would control its affairs until the default was made good, when the property would automatically pass back to the preference and ordinary shareholders.

In the early period of its history the company was beset by many difficulties and disappointments, but on the whole its progress was not unsatisfactory.

In 1899 the company had 7,000 miles of railway; its gross earnings were $29,200,000 and after the payment of working expenses there were net earnings of $12,200,000; the funded debt secured by mortgage bonds was $47,200,000; debenture stock had been sold to the amount of $54,237,000, and the annual fixed interest charges were $6,800,000; while in 1916 the operated system comprised 13,000 miles, with net earnings of $50,000,000 and an increase of only $3,500,000 in the annual interest charges.

Capital Expenditure.

After 1899 the company's traffic commenced to show considerable growth and the necessity for more rolling stock equipment and for traffic facilities and improvements of every possible description became imperative. Year by year with the great expansion of business throughout the country the demand for adequate facilities became more pressing, and the records show that in the years 1902-1914 inclusive, the company expended for second tracks, reduction of gradients, terminals, freight yards and facilities, work shops, machinery, and improvements of every character chargeable to capital, $206,300,000, and for cars, locomotives nad other equipment $130,000,000. To meet this expenditure of $336,300,000 debenture stock could not legally be utilized and preference stock could be issued and sold only in limited amounts. In these circumstances the directors decided to ask the ordinary shareholders of the company to provide funds as these were required from time to time by taking further allotments of common stock.

In the thirteen years mentioned the shareholders were offered and accepted $195,000,000 of common stock for which they paid $262,100,000. Out of this, $33,750,000 of Canadian Pacific first mortgage bonds were paid off and retired, and $26,200,000 was used to pay the cost of railway lines acquired or constructed and of additional steamships with reference to which no bonds or debentures were sold. The remaining

amount, $202,150,000, was supplemented by the sale of preference stock and equipment notes that brought in $56,500,000, making a total of $258,650,000 to apply against expenditures of $336,300,000. The further sum necessary, namely, $77,650,000, was provided from the surplus revenue of the company. Thus the company was put in a position to deal efficiently and economically with a large and ever-increasing volume of traffic, and at the same time was able to reduce its bonded debt, the requisite money being provided by the owners of the property who were willing to venture their money on Canada's present and future stability. They were encouraged by the annual accounts of the company which, year by year, showed most gratifying results and gave ample warrant for every statement made by the directors.

Notwithstanding the low price at which it was necessary to sell the original $65,000,000 of common stock, as already explained, the entire $260,000,000 of this stock outstanding has yielded to the treasury in cash an average of $112 for each $100 of stock, and if the additional amount supplied for capital expenditure from the surplus belonging to the shareholders be taken into account, the shareholders paid an average of $143 for each $100 of stock that they hold.

Condition in 1916.

In 1916 the railway system operated directly by the company and included in the traffic returns had reached 13,000 miles, or 6,000 miles more than in 1899, but the bonded debt had been decreased from $47,200,000 to $3,650,000, and the consolidated debenture stock outstanding was more by $122,000,000. The net revenue from operation had grown from $12,200,000 to $50,000,000 in round figures, while the annual fixed charges were only $3,500,000 more than in 1899. In 1916 the amount available for distribution to ordinary shareholders after providing for fixed charges, dividend on preference stock, appropriations for pension fund, and other purposes, was about $34,000,000, or over 13 per cent. on the common stock. Of this, 7 per cent. was paid to the shareholders and the balance added to the surplus. In 1917 the mileage operated had increased to 13,400 miles, but the net earnings were less by $3,930,000, although the gross income was larger by $12,660,000, the shrinkage being due to the additional cost of labor, fuel and material of every description.

The progress of the company has, indeed, been marvellous, and it might readily occur to the casual observer that advantageous terms for the carriage of traffic must have contributed to the result. This is not the case. A reference to the statistics of the Interstate Commerce Commission and to the annual reports of the railway companies will show that the average rate per passenger per mile and the average rate per ton per mile, for the carriage of passengers and freight respectively, received by the Canadian Pacific were lower than those received by any combination of railways south of the International Boundary constituting a through route from the Atlantic to the Pacific Oceans.

Management Policy.

But it may be asked how is it possible under these conditions for the Canadian Pacific to attain such results when it be taken into account that the rates of pay to employees in every branch of the service are at least as high as, and the cost of its rails, fuel and other material required for the maintenance and operation of its lines is higher than in the case of railway lines in corresponding territory in the United States. The answer is simple. The achievement may be attributed primarily to the policy pursued for so many years of keeping down the annual fixed interest charges while extending its rails into new productive territory as opportunity offered, and improving the standard and efficiency of its property as revenue warranted; but the economies naturally attending the long haul of traffic over its own rails to its own terminals with none of the heavy tolls for handling, switching and kindred services at common points of junction that other companies are required to bear, the opportunity to make the maximum use of its own equipment with the consequent saving in the cost of car hire, and the lesser amount required for general and traffic expenses as compared with any combination of competing lines to the South, coupled with operating economies to which it is not necessary to refer in detail, were factors of great importance that are now being neutralized by insatiable wage demands and soaring prices.

Thus far we have been dealing only with the creation, operation and financial progress of the company's rail transportation system, comprising its railways in Canada and in the State of Maine, with such accessories as lake and river steamers, grain elevators, parlor and sleeping cars, etc.

In the annual reports of the directors to the shareholders giving the results of the company's operations only the revenue from these sources is taken into account, and after proper deductions for operating expenses, annual interest charges and special appropriations, the balance is available for dividends. As already stated, it has been the practice for some years to distribute to the ordinary shareholders an annual dividend on a 7 per cent. basis, and to carry the remainder to surplus account for improvements to the property and for the general purposes of the company.

But besides this revenue from its transportation system the company receives a substantial annual return on investments of one character or another that have come into existence during the past thirty-five years. The special income from these investments, exclusive of receipts from land sales, is in excess of $10,000,000 per annum, out of which the ordinary shareholders have been receiving a further annual dividend of 3 per cent.

System is Unified.

In the early days of the company it was the practice of railway corporations on this continent and elsewhere to divest themselves of auxiliary enterprises not essentially connected with the operation of the railway, such as express companies, telegraphs, terminal warehouses, etc., by disposing of them to corporations engaged in these several kinds of business activity, or to individuals. Too frequently, through one channel or another, those intimately associated with the railway companies' affairs succeeded is acquiring for themselves most valuable and productive properties, and little criticism would have been aroused if the Canadian Pacific had adopted the same policy. But this was not done. All of these revenue-producing attributes were reserved and developed for the advantage and benefit of the shareholders, and the resulting profit to the company's exchequer is very substantial indeed. Every terminal yard, station and property over the entire system belongs to the company itself, and was acquired or created with money furnished by the shareholders, the aggregate amount reaching very large figures.

Land grants appertaining to lines purchased or leased in perpetuity, coal mines, metal mines, smelters and other assets that now play such an important part in the annual balance sheet of the company, might also have been coveted and acquired by what are commonly known as the "Insiders," had any such spirit inspired the board of directors from time to time, but not a penny was permitted to slip through such a channel. Indeed, it might be said that while the individual credit of directors was on more than one occasion asked and freely granted at the initial stages of a transaction, no consideration was ever given excepting the refund of out-of-pocket expenses and bank interest; nor was anything more expected.

Ocean Service.

At times, and more particularly during the busy months of the autumn, there was considerable difficulty about securing sufficient ocean space on steamers sailing from Canadian ports for the export traffic carried on the company's lines, and to remedy this the Elder Dempster Atlantic Fleet, comprising fifteen steamships, was purchased in 1902.

At a later date the Canadian shareholders of the Allan Line Steamship Company opened negotiations for the sale to the Canadian Pacific of all the share capital of the Allan Company. The transaction was carried out to the satisfaction of both parties, and for several years the business was conducted under the Allan name and through the Allan agencies.

The earnings of these steamship lines were devoted in a large part to the payment of the floating debt that the company had assumed at the time of the purchase, and the construction and acquisition of additional steamships.

The development of business on the Pacific Coast of Canada demanded a number and class of vessels (and a consequent investment of capital) quite beyond the reach of the Navigation Company that was performing this service in connection with the railway, and to meet this requirement the Canadian Pacific decided to acquire the steamers then performing the service, at a price acceptable to the owners. This having been done, the company proceeded immediately to enlarge and improve the fleet by purchase and construction from time to time of larger, faster and more modern ships for the

encouragement and care of the business. The policy proved satisfactory and remunerative. This Ocean and Coastal Steamship property, secured by a comparatively small demand on capital account, has a market value in excess of $65,000,000 on the basis of present market prices.

It is not necessary to describe in detail the manner in which other properties and assets that came to the company from one source or another, but mainly through acquired railways, were nursed and developed to a profit producing stage. It is sufficient to know that they belong to the shareholders of the Canadian Pacific, and that the money necessary for their acquisition or development came from the surplus income of the company and, therefore, of its shareholders.

The Land Interests.

The company's land grant is a source of serious anxiety to financial doctrinaires who have only half studied the subject. They appear to have forgotten, or to have never known, that as late as 1888 when the railway had been in operation for some time, the Dominion government consented, as a consideration for some concessions under the charter, to guarantee the interest on $15,000,000 land grant bonds, but would in no circumstances guarantee the payment of the principal, which would have given the security increased market value, although the bonds had fifty years to run and only represented a value of about 75 cents per acre. There is no doubt that at that time the government could have recovered the whole land grant at the price per acre just mentioned.

For many years this land grant was a great drag on the company. Interest had to be met on the land grant bonds whose proceeds had been devoted to the purposes of the railway, and although considerable sums were spent on an immigration propaganda, land sales were disappointing and unsatisfactory, and the prices yielded the company only from $1.50 to $2.50 per acre after the selling expenses had been paid. It was not until 1898 that agricultural lands in Western Canada attracted buyers in any number, and even in that year, when 348,000 acres were sold, and in the three subsequent years the net return to the company was only about $2.80 per acre. These prices were realized from sales of comparatively small parcels. The value placed on these lands in large areas by investors may be gathered from the fact that at the end of 1901 the shares of the Canada North West Land Company could have been bought in open market at a price equivalent to $1.45 per acre, for the 1,555,000 acres belonging to that company at the time.

Other Railways Subsidized.

Shortly after the Canadian Pacific contract was made, the federal parliament commenced to vote grants of land in very large areas by way of subsidy for the construction of railway lines in Western Canada to many companies incorporated for the purpose. Most of these companies never materialized, but it was necessary to establish reserves from which their selections could be made, if by chance they came into being while the subsidy agreements were in force, and other companies (before the advent of the Canadian Northern) built some miles of railway, secured the land to which they were entitled, and then collapsed. All of this had an important bearing on the time required to select the lands earned by the construction of the Canadian Pacific, because of the difficulty about having reserves defined in districts where the character of the land would meet the requirements of the agreement; and to satisfy the last 3,000,000 acres of its grant the company consented to accept lands along the line west of Medicine Hat in what was then known as the "semi-arid" district, where there was little or no water, a very uncertain rainfall and other conditions that made the lands practically valueless. To recover this tract is was decided to adopt a plan of irrigation, and an expenditure of over $15,000,000 was made in the construction of the requisite works and ditches in the eastern and western blocks, comprising about 2,240,000 acres. Of this area, that was not previously worth five cents an acre for practical purposes, the portions that can be served by the ditches command high prices, and a considerable percentage of the balance is improved in value by reason of the water supply, so we find that in 1904 the company was willing to expend, and forthwith proceeded to expend, with a view to making useless lands productive and to encourage the settlement of territory adjacent to its railway, a sum of money in excess of the amount that it would have been willing to accept for the entire land grant sixteen years before.

Meanwhile the company year by year made every effort and an expenditure approximating $17,000,000 in the encouragement of immigration, and to forward the sale and settlement of such lands as it had received. A most important factor in securing settlers who would purchase farms was the construction of thousands of miles of principal and branch lines not contemplated by the original charter. Indeed, the Canadian Pacific as defined in that charter, with its attendant land grant, would have been a sorry investment if left by itself.

Recent Developments.

To recapitulate, 14,000,000 acres of the original Canadian Pacific Land Grant have been sold to date, yielding in round figures $94,000,000, or an average of $6.72 per acre, but against this there were the expenditures during thirty years for immigration propaganda, agencies, commissions, and other expenses incident to sales, and the outlay for irrigation works, which made the net return to the company less than $5 per acre. Naturally, the 4,300,000 acres that remain unsold will command much higher figures. In all this no account is taken of the vast sums spent by the company in the construction of branch lines to open up the lands, nor of the tax on the company's resources during the period required to bring to a productive basis these branch lines, which at the outset earned neither interest nor, in most cases, operating expenses.

With the exception of the comparatively small advantage given to the shareholders when, in 1914, they were offered the 6 per cent. note certificates secured by outstanding land contracts, all of the net money that came to the company from the sale of these lands was devoted to the railway property, taking the place of that much capital and reducing the company's annual interest charges proportionately.

The exemption from taxes of the Canadian Pacific land grant for a period of 20 years after their selection has been a source of considerable adverse comment, but the delay in selection was largely due to circumstances already explained, over which the company had no control. and it is manifest that at the time the grant was made, and for some years after, no one could have afforded to take the lands as a free gift if they were subject to taxation. When the lands were sold, however, the purchaser became a tax payer, and the records show that the 14,000,000 acres thus far sold have brought to the public treasury in taxes an amount exceeding $20,000,000.

The Dominion Railway Act in force in 1880, when the contract was made for the construction of the Canadian Pacific Railway, authorized a return of fifteen per cent. on the capital invested by any railway company in its enterprise before the tariffs for the carriage of passengers and freight could be scaled down by the government authority named in the statute, but in the contract with the Canadian Pacific Railway Company, confirmed by act of parliament, this limit was reduced to ten per cent. per annum. This is what is known as the "ten per cent. clause" in the company's charter. Years ago this clause became ineffective when the company admitted that the net earnings had reached ten per cent. on the capital invested, and its tariffs came under the control and supervision of the Board of Railway Commissioners.

The suggestion made in some quarters that the spirit and intent of this clause was to limit the company's dividends to ten per cent. is entirely out of harmony with the clear, unquestionable language of the instrument. The clause had no more relation, direct or indirect, to the Canadian Pacific dividends than it had to the dividends of any other railway company, or of any commercial or industrial corporation. The company has been and is absolutely untrammelled in the declaration of such annual dividends as the directors may feel justified in declaring out of the revenue, and seventeen per cent. instead of ten per cent. per annum might properly have been distributed from the average earnings of the railway and the income from investments and extraneous assets during the past few years, had the directors not been convinced that a prudent and conservative policy was in the best interest of the property.

Capitalization.

The total capitalization of the Canadian Pacific Railway Company's transportation system, comprising 13,400 miles of railway in Canada operated directly by the company, with the rolling stock equipment and steamboat craft on inland waters, its splendid terminal stations and facilities, and other accessories, is $623,000,000, but this amount is far below the actual cost of the property, which, excluding the cost estimated at $31,000,000 of the sections of railway constructed by government and handed over to the company, is carried in the books at $687,000,000, after having been reduced by $131,000,000

provided from surplus earnings, land sales and other sources, expended on the property and written off without being capitalized. So that, based upon cost, the transportation system represents an outlay of $818,000,000, or about $61,000 per mile, which is lower than the average cost per mile of the other principal Canadian railways, and about half the cost per mile of the railway system of the Grand Trunk in Canada, based upon its outstanding capital.

In addition to the mileage to which reference is made, the company owns or controls 948 miles of railway lines in Nova Scotia, Quebec and British Columbia that are operated separately for economic or other reasons, but their affairs have no reference to the figures that have been quoted.

The great benefits resulting from the conservative financial policy pursued by the Canadian Pacific directorate are strikingly illustrated by the fact that the net earnings per mile required to meet the annual interest charges on the Grand Trunk, Canadian Northern, Grand Trunk Pacific and National Transcontinental Railways, would suffice to cover the annual interest charges, dividend on the preference stock, and 7 per cent. dividend on the common stock of the Canadian Pacific.

Extraneous Investments.

The extraneous investments and available resources belonging to the shareholders of the Canadian Pacific are quite distinct from the transportation system and play no part in the transportation accounts. They are made up of the ocean and coastal steamship lines, investments authorized by parliament in shares of railway companies outside of Canada, made, in most cases, many years ago when the shares that now command high prices had only a nominal market value, government securities and loans, money set aside for investment, and other items, amounting in the aggregate to $137,000,000, and available resources in unsold lands, amounts payable on lands already sold, coal mining and other properties, having an estimated present and prospective value of $116,000,000, after providing for the retirement of the outstanding note certificates.

The total appraisement of these items, namely, $253,000,000, is substantially below the market value. Large as is the amount, it was not accumulated by speculation or risky exploitation. Apart from the temporary loans and money it represents the accumulated worth of properties and resources many of which had little or no value when they came into the possession of the company, but were developed and safeguarded until they became profitable.

Doubtless such development in its conception and execution had its selfish side, but no one familiar with the details of Canada's progress in the last quarter of a century will deny that every work of development undertaken by the company, quite aside from its railway enterprise and its vigorous immigration policy, has given to the country a return infinitely greater than any received by the company or its shareholders.

FINDING THE IMMIGRANT A JOB

Canada Has Duties to Perform to the Immigrant, Other Than Merely Attracting Him Here

BY CHARLES W. STOKES.

Whether or not Canada will now experience a huge immigration has been the cause of so many predictions and speculations that the whole subject tends to be rather bromidic. This is especially notable in that so many people seem over-inclined to shift upon this possibility of renewed immigration all their problems, immediate and future. In it they see the solution of all their post-bellum troubles, hoping, in the same hazy way, that the great inrush of new arrivals will be assimilated easily and without complication. But, however, the subject may have been overdone, however seemingly futile to date may have seemed its discussion, there is no denying that while the centre of the stage is at present held by much more important happenings, immigration is there hiding away in a corner, and one day will suddenly find itself in the spotlight.

No one, of course, still thinks that immigration will recommence next spring. The Canadian army has the first call upon all available shipping, and, with the utmost ocean tonnage that can be expected, it is expected to take a year to bring home them alone. The assimilation of the returning soldier—himself almost in the immigrant class—will be a preliminary test of Canada's powers of absorption; and after that, we shall face the problem of absorbing the English soldier, who, it is sometimes predicted, will come to this country in hundreds of thousands. He will belong to several classes. The agricultural class will probably be in a minority, because Britain will try to keep her agriculturists at home. A huge number will belong—and this is equally characteristic of our own forces—to that vast, indeterminate class which is neither industrial nor agricultural, the middle-class, the clerk, the professional man, the store-keeper, and so forth, only a negligible proportion of whom will go "back to the land." Concurrently, we are led by English despatches to anticipate the immigration of a considerable number of British women, who, having sought industry during the war, will find themselves displaced, or who have become discouraged at their accentuated numerical inequality. All these immigrants will come voluntarily, without solicitation; and probably until the time they have been absorbed, the question of going out and advertising for immigrants again can safely be postponed.

However, it would be as easy to be optimistic about immigration as unduly pessimistic. To an almost incalculable extent Canada has been stabilized by immigration. It is essentially a country established by immigrants, and not without interest is the fact that the immigrant has generally been keener in this regard than his own children. Immigrants from France settled the Atlantic coast, immigrants from Britain settled the Pacific coast. United Empire Loyalist immigrants opened up Ontario, middle-western Americans and European immigrants of many races opened up the prairies. Canada's railways were built largely under the control of immigrant financiers. So tremendous and so sparsely populated a country as Canada offers multifarious opportunity for the utilization of labor in development work. From end to end Canada consists of practically a narrow strip of land only a hundred miles or two north and south of the railways.

Individual Side of Immigration.

Admitting, however, that we are all more anxious respecting this resumption of immigration than we might care to concede, the point arises—shall we prepare? Are we going to let immigration just happen, or to try to co-ordinate it with national interest? Are we, in fact, mentally humble enough to profit from the lessons of past mistakes? Here, perhaps, would seem to be an appropriate time for the discussion of some fundamentals—immigration, if you like, in a rather academic light, but upon a distinctly higher plane than mere census-increase. From a subject sufficiently large and kaleidoscopic, one phase might profitably be selected; what might be called immigration *ad hominem*.

In thinking of immigration purely in the mass, we have, I submit, made our most notable mistake. We have overlooked that immigration, like salvation, or being born, is a personal matter; and because we saw thousands upon thousands pouring off the wharves, we forgot that the desperate solution to certain enigmas of existence—to wit, emigration—had been reached by each unit, separately, distinctly, that each unit had, in fact, taken a bold initiative for itself. That the immigrant had any fellow-passengers bent on the same errand was more an accident of transportation than anything else.

This mistake of regarding immigration only as a mass movement led inevitably to another—regarding it impersonally, even indifferently. Even where we conceded that immigration was an important phase of national destiny, the tendency was to regard the individual immigrant, not as a human soul, warmed by the same heat as ourselves, chilled by the same cold, subject to the same human frailties and moods, and journeying towards the same earthly end, but rather as one of a consignment of machines. We provided, indeed, a very concrete illustration of the familiar contention of Ruskin, that modern political economy has de-humanized its believers. But this, I am sure, was not consciously an inhospitable attitude; it rose from the fact that the average Canadian never really comprehended immigration because he had never been an immigrant himself.

He made, therefore, his third mistake, of regarding the immigrant only as an immigrant, whereas the essential thing about the immigrant is that he is also an emigrant. He has not arrived in Canada from heaven or from Mars, but from

elsewhere on this planet; and his two phases have nothing in common. A man emigrates not because he knows more about the new country he is going to than the old country he leaves, but because he thinks he knows too much about the latter. In the old country—meaning, of course, any old country—are to be found certain economic conditions which, to avoid unnecessary digression, can be assumed as being adverse to the personal prosperity of some one individual. This individual argues, therefore, that things cannot be much worse in a new country; and when he is in that plastic state of mind, a professional emigration expert gets hold of him and tells him that things are decidedly better in the new country.

If industrial conditions throughout the world could be standardized, so that in every state the worker was paid the same, spent as much for living expenses, and stood nowhere at an unusual advantage for regularity of employment, both emigration and immigration would cease as soon as the knowledge of this fact began to percolate. With the exception of a negligible number of "round-pegs" and amateur visionists, nobody would want to emigrate. The potential immigrant would already receive his maximum wage, and would have established himself too comfortably to care to break a thousand family and other ties.

But the emi-immigrant embodies in his dual role extremely valuable social material. He is a world factor, because by emigrating he does his bit to relieve the congestion of population that, through historical reasons, has been caused in one comparatively small part of the earth. He assists in the redistribution of population more evenly over the remainder of the habitable globe. He is a national factor, and to two nations, because by emigrating he helps to relieve economic pressure in the country he leaves, making it easier for the other fellows, and by immigrating he helps the country to which he goes to build up itself and its industries and to pay interest on the capital that has financed its development.

Emigration May be Restricted.

The broad distinction is seen in the fact that the old country recognizes the result but has no preference who goes (so far—but it might not be astonishing if presently European countries prohibited the emigration of agriculturists), so long as some one does go; while the new country wants anyone to come, but for preference wants only that peculiar class which actually does come in the smallest ratio. This is an important fundamental, and reveals itself in our eager scrutiny of immigration and subsequent disappointment at the small number of agriculturists. It is also productive of an inquiry into the post-arrival career of the immigrant, and again into the methods by which immigrants are secured.

The tendency is to divide immigrants into agricultural and non-agricultural. That, in fact, is the official attitude, and to the latter class official discouragement is freely handed out. "Canada advertises only for farmers, farm laborers and female domestic servants," says the government, "and these are the only classes that are guaranteed employment on arrival." But the real division is not this; the only kind of immigrant that Canada wants is the successful immigrant. A successful bricklayer is worth ten near-farmers who have to be nursed along and who despatch memorials "over 'ome" full of querulous complaint. A clerk who makes good creates more cycles of trade than an agriculturist who doesn't, and, doubtless, if the enquiry were pushed, as large a percentage of unsuccessful and unhappy immigrant farmers, farm laborers and female domestic servants could be found as amongst those of other occupations.

Here is where the average citizen, the man in the street, contacts immigration. He is the immigrant's environment. No country, especially no comparatively new country, is more prosperous than the average prosperity of its citizens. Immigration is not a vague government programme, for which we disclaim responsibility by the simple expedient of paying someone a salary, but a process in which everyone must share. Our function in immigration is present and future; emigration was the past, and ceased at Quebec or St. John wharf. Immigration began when the medical board gave a new arrival their O.K., by the aid of which he passed out at the door. If the prosperity of the nation is wrapped up, as some say it is, in the quality and quantity of future immigration, this will be maintained only to the extent that the prosperity of each individual newcomer is assisted towards approximating to the average, or increased as the average itself is raised. In other words, to make the immigrant successful means taking, perhaps, a little extra care to see that he is.

"But," here cries some native son, "what do you expect, anyway; Do you want us to pap-feed them? Here is God's country—let them go to it!" Now the immigrant does not as a rule want or expect to be pap-fed. The failure of almost every scheme that has endeavored to make successful settlers by fondling them should surely establish that. But the immigrant does most assuredly want to make good. Why should he not, seeing that the person who, in the near foreground, benefits most, is himself Who would not rather succeed than fail, have much money instead of little? Quite a few of our errors in this connection are traceable to the fact that when we have, at intervals, sloughed off the spirit of indifference, we have entered the question in too idealistic a frame of mind.

Appeals to Economic Needs.

The trouble is this: that we do not properly realize that Canada would not be in the immigration field at all but for the cupidity, sordidness and rapacity that animate mankind, and that our officials abroad, to whom has specifically been delegated the task of obtaining immigrants for Canada, are compelled almost exclusively to base their platform upon the existence of these ignoble passions. To "sell" Canada, in the advertising sense, immigration propaganda must remind the potential immigrant of, or must make him discover if he has not yet done so, the great underlying urge of economic discontent. Fondly cherishing the illusion, as most of us do, that advertising "sells" Canada to the immigrant because of Canada's own sublimated virtues or liberty, it is somewhat of a shock to discover that what it is actually engaged in doing most of the time is flourishing the dollar sign and telling all and sundry how many shillings, francs, lire, pesetas or guilders a dollar contains.

An official immigration programme, in fact, must avail itself of some of the most disagreeable results of political economy. It is under the disadvantage that its only appeal is to the most selfish instincts of humanity. It cannot say: We offer you in Canada a higher culture, greater refinement, wider intellectual atmosphere, larger democratic freedom, better educational opportunities, a more artistic environment, greater opportunities for the free expression of your own soul. Even if these things happen to be true, the professional immigration worker cannot say so, because no one would listen. He can only say: Wages are higher in Canada!

To that bait nearly everyone would frankly and unashamedly rise, no matter whether the last word were Canada, Australia or England. Naturally enough, the class which responds to it most eagerly is not the class that brings invariably the greatest amount of sweetness and light in its train. The stay-at-home Canadian may at times feel inclined to censure his representatives for sending immigrants from whom his soul revolts, but, unfortunately, we cannot pick and choose. We must take all for the sake of the few worth while. Our task is that of a kind of political Salvation Army, which feeds and houses the outcast before it asks him if he is saved. That these mercenary motives should have impelled these thousands of people to seek our shores, and that we condemn them in both the unit and the mass as dangerous elements in our own democracy, is not to say that there is no brighter side. We must help the immigrant whose sole interest in Canada is that it pays higher wages to rediscover himself to the Glory of God and the Dominion—generally an easy task, for the average immigrant, at least from Britain is often possessed of equal, and frequently of more, discernment for political idealism, and has valuable talent the uncovering of which would be vastly to mutual advantage. An easy task, one repeats—provided the single grand precondition, material success, is fulfilled.

The problem reduces, it would seem, to finding the immigrant a job, showing him in the interim, by precept and example, the best possible picture of Canadian democracy, so that he can read as he runs, but either keeping faith with his expectations, and finding him a job—or else letting him know definitely before he comes that there are no jobs here. The extremist submits that with the revival of immigration there will not be enough jobs to go around, another 1913, in fact. But to have our extremely small density of population, to be surrounded by such lavishness of natural resources, and to have at the same time an unemployed problem, should, to say the least, be somewhat extraordinary. At least, it would be so in most countries of the world, especially when everything that Canada can produce is wanted so badly. The crux of the situation seems to be shortage of capital to develop these resources and provide employment; which shortage, to judge by recent world movements, may possibly be scarcely as acute as once it was.

CRUDE PETROLEUM AND ITS PRODUCTS

Valuable Liquid was for a Long Time Neglected—Demand now Threatens to Outrun Supply

BY S. R. PARSONS

Petroleum is a naturally occurring liquid of great economic importance—the most valuable of the bitumens. It is, like natural gas and asphaltum, an extremely complex mixture of compounds of carbon and hydrogen. Moreover, it contains many widely varying substances in small amounts—sulphur compounds, products of oxidation, nitrogenous substances, etc., whose exact nature is not always clearly defined.

There are many theories held by scientists as to the origin of crude petroleum. On the whole the supposition that petroleum is derived from a natural decomposition of the fatty remains of marine organisms, both animal and vegetable, seems to be received with most favor.

History of Petroleum.

It is thought by experts that among the ancients and in Biblical days crude petroleum, referred to as "pitch," "slime," "oil out of the rock," etc., was known and used in a more or less limited manner. Even as far back as 1595, Sir Walter Raleigh published an account of the pitch lake at Trinidad. The Indians of the North American continent also made use of crude oil which they found here and there upon the surface of the earth or floating upon the streams. It was only about 60 years ago, however, in the United States as well as in Canada, that crude petroleum was earnestly sought after as men have sought for gold and silver. The early history of the hunt for crude petroleum and then making proper use of same in a commercial manner is a long story of struggle, trial and victory. One of the early preachers in Pennsylvania is stated to have voiced his objections to the search in the following words: "Do you know that you're interfering with the Almighty Creator of the universe? God put that oil in the bowels of the earth to burn the world at the last day and you, poor worm of the dust, are trying to upset his plans." For more than a generation past the production and refining of crude petroleum has ranked amongst the world's foremost industries and is used commercially in greatly increasing quantities. Nothing can be more fascinating than the story of petroleum from the well to the lamp in our homes, the gasolene engine in our factories, on our streets, and upon our waters, as well as the armoured tank upon the field of battle. Crude petroleum and its products has played a wonderful part in the general development of the world during the past 50 years.

The Refining of Crude Petroleum.

In the early days the methods of refining used were very crude and imperfect as compared with those now existent. At first, as many of us can remember, the chief product of crude petroleum was kerosene, more popularly called coal oil. This was certainly a great boon to the people generally, especially prior to the somewhat limited use of gas and the general introduction of electric lighting. Even to-day in the poorer districts of our great cities and throughout the country generally kerosene is used to an enormous extent for lighting, as well as in stoves for cooking and heating. In those early days gasolene was a by-product and hard to get rid of. Refiners sold it for use in gasolene stoves at a price of five or six cents per gallon. Now, however, especially on account of the enormous demand upon the farms, in factories, for automobile, motor boat and air-craft uses, gasolene has become perhaps the main product. It is the first to "come over" in the process of refining, being the lightest in gas. The different products come from the fire stills in the form of gases and are then condensed into liquids. The chief products of crude petroleum as refined are gasolene, benzine, kerosene, fuel oil, lubricating oils, paraffine wax (the latter having to be eliminated from the lubricating oils before they are fit to be used), road oils, asphaltum, petroleum coke, etc. It will thus be seen that oil refining is a very essential industry, particularly in war times. Munitions plants use large quantities of fuel oil as well as lubricating and other oils.

Production of Crude Oil and Products.

In the United States in the year 1917 the production of crude oil was about 340 millions of barrels of 42 wine gallons each, which is about two-thirds of the entire world's production. It is said that the total production of crude petroleum to date in the United States has been over four billions of barrels. It is further estimated that the reserve in the ground is over seven billion barrels. but this must be guess work to a considerable extent. In Canada the total production was quite inconsiderable, although stimulated by a government bounty of one and one-half cents per imperial gallon. In Ontario and New Brunswick in 1917 there was a total production of only slightly over 200,000 barrels of 35 imperial gallons. Outside of this a small amount was produced in Alberta. For a number of years past the yearly decline in quantity of crude oil produced in Canada has averaged perhaps 20 or 25 per cent. The refiners of Canada imported last year about five million barrels of crude. Extra supplies of finished products, such as gasolene and fuel oil, were also imported into Canada. The total value of imports of petroleum and petroleum products in 1917 was over 21 million dollars. It will be seen, therefore, that at present Canada is largely dependent upon the United States for her supplies of crude petroleum. It is hard to imagine anything that would add to our national wealth or well-being so much as the finding of large bodies of crude petroleum. Various theories have been given utterance to by experts as to the possibility of finding further supplies of crude petroleum in Canada but these are more or less in the air and need not be given publicity here.

War Requirements.

On account of the fact that the far Eastern producing fields have been cut off very largely, either directly on account of the war or indirectly through lack of shipping facilities, the allies are dependent almost wholly for their supplies of petroleum products on this continent. While the volume of production of crude petroleum has been maintained, yet the stocks on hand have been drawn upon to a considerable extent during the past two years. The amount of gasolene consumed by the fighting forces run into figures that are almost unbelievable. The United States government in their air service alone call for from between 300,000 to 500,000 gallons of gasolene per day. Through the introduction by the refiners of what are termed "cracking processes," a certain extra amount of gasolene is obtained over and above the ordinary distillation processes. This has helped out considerably during the period of the war.

What About the Future?

The question is often anxiously asked as to the outlook for supplies of crude petroleum and petroleum products, especially after the war. For half a century it has been the habit to fear constantly that the supply of crude petroleum was on the point of being exhausted but ever and anon new fields of oil have appeared to meet the increasing demand. Like other minerals, however, when petroleum is once removed from the earth it makes the supply that much less. Authorities agree, though, that while there is a continual process of exhaustion, yet it would appear that sources hitherto untapped may make available the supplies that are required for many years to come. Outside of the United States, Mexico, Trinidad and South American countries will, no doubt, supply large quantities of crude oil. Then scientists tell us that almost unlimited quantities of shale carrying petroleum are to be found on this continent that will supplement the liquid production. In Colorado alone the shale possesses oil reserves that are estimated at from 20 billions to 36 billions of barrels, and it is likely that oil bearing rocks will be found scattered over the whole continent. After the war no doubt crude petroleum and the different products of same will fall in price. Just how far down they will go is a matter that will depend upon the world's supply and demand. If the enormous increase in the manufacture and use of automobiles continues and no other suitable fuel is found for same, the exhaustion of crude oil will be accelerated. Practically speaking, however, in thinking of post-bellum days probably no fears should be entertained as to the reasonable supply of petroleum and products for many years to come.

The Royal Bank has sent representatives to Vladivostok with a view to opening a branch there to co-operate with Canadian traders.

Canadian banks are carrying Victory Loan bonds for subscribers at 5½ per cent., and in addition are providing safekeeping of the bonds for one year, in the case of those who wish to leave the bonds with the bank.

BRITISH COLUMBIA IN 1918

Year of Varied Development—Growth of New Industries —Province has Promising Outlook

BY J. REGINALD DAVISON.

The most outstanding feature of the industrial situation of Vancouver and British Columbia during 1918 was the very remarkable expansion in the aeroplane spruce industry, and, coupled with this, the continued development of shipbuilding. North of us, where the largest and best stands of the British Columbia or "Sitka" spruce are found, there is an almost feverish activity in getting out this timber. Under the double spur of the need for war purposes and the profits entailed, old and new logging companies have thrown every available man and machine into the work with the results that since the Imperial Munitions Board initiated in 1917 spruce production for aeroplane construction, there has been cut in British Columbia over 60,000,000 feet, and the output is increasing every month. In addition to camps on the Queen Charlotte Islands, operating districts have been established at Victoria, Vancouver, Quatsino, Ocean Falls, Swanson Bay and Prince Rupert, and altogether there are 69 camps in the province and over 3,000 men engaged. Only 15 per cent. of the tree is suitable for aeroplane stock, but the balance of the spruce goes into the pulp industry. Of the British Columbia wood used in aeroplanes about 70 per cent. is spruce and 30 per cent. Douglas Fir.

Shipbuilding.

During 1918, shipbuilding, begun practically in 1917, has gone on apace; up to the first of October the number of vessels of wood and steel launched was 52, totalling 175,600 tons, and the indications are that this total will be much exceeded in the next 12 months. In addition to the ships under construction and contracted for at the above date, new contracts have been signed and further contracts are under negotiation, which if secured, will result in a much larger shipbuilding manufacturing programme than we have yet enjoyed on this coast. The Dominion government has placed orders for 10 steel steamers here, four of 10,000 tons, and six of 8,100 tons each, and work is progressing rapidly on the order of forty wooden steamers for the French government, ten for the Belgian government, and nine wooden schooners which are building for Norwegian firms. In addition to these vessels the local yards have been busy with smaller craft, such as ocean-going tug boats, cannery tenders, power cargo boats, scows, etc., which have been in keen demand for handling the increased coastwise trade here, and some have been sold for service in the United States and Australasia. A further contract for steel steamers for the Norwegian government has been announced; these to be built at Prince Rupert by a Pittsburg company, and at the time of writing negotiations are about completed for another yard for steel vessels, located on Vancouver harbor.

The great activity in shipbuilding and taking out aeroplane spruce has had its results in lumbering and other industries. During the earlier part of 1918 all the mills of the province were exceptionally busy, and found ample markets locally in the prairies and in foreign trade. In the last quarter of the year the poorer crop yields in parts of Alberta and Saskatchewan have lessened the demand from that source, and the embargoes to the United States have had the effect of very materially lessening the output of both lumber and shingles. The added construction of vessels and increase of tonnage will be of benefit to this industry, and signs are not wanting that the lumbermen are getting ready to compete more strongly than ever before for foreign trade.

Mining Developments.

In the mining industry there has been corresponding activity and at the time of writing results are expected to be greater than last year. The low price of gold, the increased cost of supplies and the labor shortage have been the chief obstacles, but increases are shown in coal, copper and other metals. Some outstanding events of the year are the discovery of valuable deposits of platinum, manganese, tungsten, graphite and other minerals. Talc is being shipped, new soda deposits are now being worked, and, of intense interest to British Columbia is the fact that shipments of iron ore to a plant in Washington are made. The Provincial government has undertaken a more active policy in regard to mining, one which should assist in bringing the industry more to the fore. The Granby Company is undertaking to make their own coke from Vancouver Island coals, with the use of beehive ovens. By-products hitherto not recovered should add to the list of manufactures of the province.

Pulp and Paper.

Along general lines, the industrial situation in British Columbia and at Vancouver has shown a steady improvement in 1918. In pulp and paper manufacturing, the mills have been kept going at top notch speed throughout the year and even then they have not been able to keep pace with the orders ready to be placed. A new development of note is the fact that for the first time in British Columbia, grades other than newsprint have been made. The Pacific Mills have begun and perfected the manufacture of Kraft wrapping paper which is acknowledged to be of the best quality.

The preservation of foodstuffs, both from field and sea has shown a steady growth in the province and canneries, and evaporators will this year put up increased quantities and more varieties than ever before. The yield of fruits and vegetables has on the whole been good, and in spite of the shortage of some varieties of salmon, the total output of fish is again larger, when we include the catch of herring, halibut, etc. Of great interest is the impetus which has been given to the fresh and frozen fish business of the coast which shows a decided gain over any previous year.

Growth of Manufactures.

In other staple lines new plants have been opened during the year, but the, to us, most encouraging sign has been the number of industries established which are using raw materials hitherto untouched, or using old material in a new way. Of the latter, an instance is the increasing number of factories for making wood products. Where we, only five or six years ago, shipped away our lumber to be made up into finished goods elsewhere, and even imported manufactured products of wood, we now are completing the manufacture, to our own financial gain. There are now a score of firms making boxes, crates, sash and doors, toys, pails, barrels, baskets, piles, handles, matches, barrows, tanks and even houses, barns, granaries, etc., which are ready to erect.

Whale and Fish Products.

Another example of interest is the canning of whale meat, a process which has made a valued addition to the meat supply in these days of shortage. One whale will yield from 3 to 12 tons of prime meat, and one company on the west coast has caught nearly 1,000 whales during the 1918 season.

Of the former class, the establishment on Vancouver's inner harbor, of a plant for the fixation of atmospheric nitrogen is an event of great interest and importance not only to Vancouver, but to the whole of Canada when we recall the fact that the building and operating of such plants has been judged of such urgent national importance to the United States that $20,000,000 was voted to establish them. It is a matter for congratulation that such an undertaking has been begun at another point in Canada by private enterprise. It is especially gratifying to this department that the inherent advantages of Vancouver for such an industry which we have urged and worked on for several years should be recognized and taken advantage of. Electric furnaces are being built for the production of nitric acid by the Arc process. The initial consumption of power will be 3,500 kilowatts, and it is expected progressively to increase this consumption. The plant is being constructed with a view to the production of agricultural fertilizer when the war is over, and is the first electro-chemical plant in Western Canada.

Other sea products have been put to use—a plant to manufacture dog fish and shark liver oil and fertilizers has been so successful that it will be enlarged, and two plants have been established to utilize shark skins for leather. Fish waste is more and more being used to make poultry foods and fertilizers.

A plant is now under construction to use for tanning extracts, hemlock bark which has as yet been entirely wasted in British Columbia.

Vancouver's Strategic Position.

Of great significance to our future development is the growing realization among eastern Canadian and American manufacturers of the advantage Vancouver offers: (1) to secure raw materials from the Pacific countries, and (2) to

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send out manufactured goods to the Orient and Australasia. As an evidence of that realization 1918 has seen the building of factories by a number of eastern firms to make, among other things, paint, babbit, engines, white lead, sacks, flour, canned fruits, etc.

Another industry which is steadily developing here is the tourist trade. In spite of the ever greater hindrances to travel by rail and boat, this year has shown a good increase. There are three main crops here, and as a result of a progressive policy by the city in seeding the several fields, these have given excellent yields. In January, February and March, and again in the last part of the year, the city was continually full to overflowing, of people from east of the Rockies who wintered here and in the summer, automobile tourists and others from Washington, Oregon and California came to enjoy the moderate summer temperatures and evergreen leafy highways. After hints given them through the advertising columns of the press, European residents of the Orient have discovered that British Columbia offers them just the change of climate they need after living in the Far East, and that their children are well provided for in the residential schools of this province. The value of these three crops have been at least over $1,600,000 and in addition, Vancouver entertains each year a larger number of round-the-world travellers on business and pleasure.

Future is Promising.

The outlook for the future is most hopeful. British Columbia is noted for its vast store of natural wealth, but as yet many forms of this have, because of physical difficulties, been unavailable for manufacturing. Thousands of tons of sulphite liquor waste from the pulp mills, have been pouring into the sea. The problem of a commercial process for recovering alcohol from this would seem to be reaching a solution.

A new process, which shows well in tests, has been invented by a Britsh Columbia engineer for turning, at a low cost, the mill waste hitherto destroyed by the sawmill burners in enormous quantities, into an excellent smokeless fuel which will stand handling. This same waste may be turned into ethyl alcohol and this question is being taken up. Each month sees some advance made toward the solution of such problems. It is expected that the paper industry will be extended by the manufacture of many more kinds of paper; that more and more articles will be made from wood and from built-up stock, including three and five-ply veneers and bigger stuff, which offers great possibilities; that plants for extracting and utilizing vegetable and plant oils and for the combining of many raw materials from our own province and from abroad into finished manufactured goods, will be located here.

But best of all, is the growing conviction of our business men, convinced by education and by the lessons of the victory loans that British Columbia, like Canada, must and need no longer look to be pap-fed from abroad but can stand on her own feet to establish new industries and provide the money and energy for the development of our city and province.

BRITAIN'S MONEY

The following are the details of the votes of credit of Great Britain since the war began:—

1914-15	£ 362,000,000
1915-16	1,420,000,000
1916-17	2,010,000,000
1917-18	2,450,000,000
1918-19 (to date)	1,800,000,000
	£8,042,000,000

This total, translated into dollars, is $40,210,000,000. The vote of $3,500,000,000 by Parliament, August 2, 1918, brought the total for the current year to $9,000,000,000.

The world's total losses of merchant tonnage from the beginning of the war to the end of October, 1918, by enemy action and marine risk was 15,053,786 gross tons, according to official announcement issued on December 6th. During the same period vessels totalling 10,849,527 tons were constructed, and enemy tonnage totalling 2,392,675 was captured, making a net loss of tonnage during the war of 1,811,584.

OUR INDUSTRIAL DEVELOPMENT

Future Growth Must be Considered Now—Population Should be Solidified on Industrial Lines—Our National Debt to be Repaid by Development of Our Own Resources

BY W. J. BULMAN.

Our national life is confronted to-day with dangers. The great danger, from without, to conquer which we have been bending every energy, we thank God is surmounted, but it needs unity and tenacity of purpose to "carry on" successfully to our goal. Four years ago the false notion was prevalent that the war would be soon and easily won. A danger to-day is the similar false notion that it will be easy for us now. We can most certainly succeed, but it is necessary for all to drive forward together, none dropping out nor even dropping behind, keeping clearly in view what we are working and have been fighting for until not only the tyranny that is against us has been cast down and trampled under the foot of men, but also until we have made the necessary readjustments and put our national house in order.

During the war many problems have been deferred "for the duration of the war." One need not be a prophet to predict that in the not very distant future, along with these, there will be many new problems to face and consider. During the turbulent times of reconstruction these will come before us in a more or less aggravated fashion. Serious-minded men and women should keep in touch with the strong undercurrents of thought and opinion so as to be better able to solve these after-war problems when they come upon us.

One hears endless talk of east and west, of capital and labor. Faction leaders give voice to demands for some advantage for their particular clan or class. But all these noises should not be taken seriously nor be mistaken for public opinion. While it is true that masses are sometimes swayed too easily by the loudest talker yet it is also apparent that these strenuous times have bred a silent majority who think for themselves and have the courage of their convictions. This class are ready, if need be, to vote against even their personal interests if it be for the nation's advantage. These are the real moulders of public opinion.

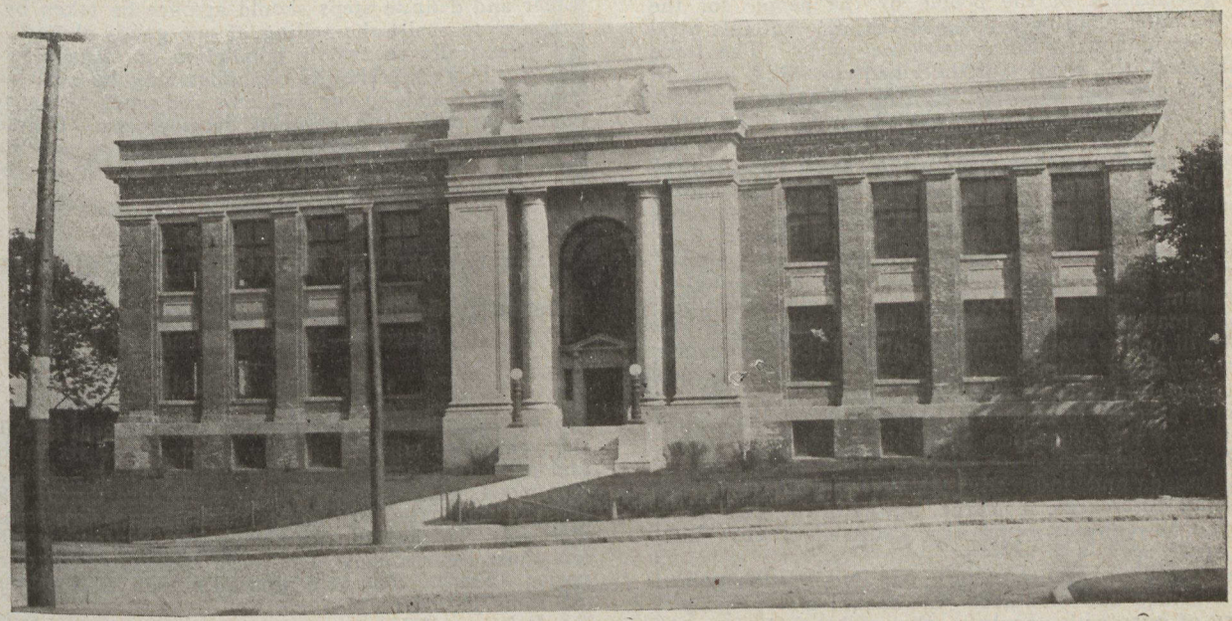
With real leadership along sane, national lines it will be demonstrated that the great thinking body of the Canadian people, now hidden under this effervescent froth, is still capable of clear, sound reasoning. This will be equally true of the western farmer, the head of the eastern industry and the man who toils in the factory. Each will care very little about any effort to get small privilege for his particular class. His real interest will be as to what is best for Canada. To some this may seem optimistic but I do not make the statement without personal knowledge of each class, a knowledge that makes for confidence in this prediction.

Canada thrills with pride at the prodigious feats of bravery and courage of her citizen army. She stands as a weapon in this war, clean, bright and effective. Through all the centuries, because of the record made, it will be an honour as never before to be a Canadian, whether by birth or adoption. As a result of it we may look to see a stronger federated Dominion spring from the crucible of war. Out of travail will come the greater love and understanding, the magic tonic of mutual sacrifice to enable us to build even greater than we had thought.

Reconstruction and the National Debt.

The huge task of reconstruction and readjustment awaits us. Many and intricate will be the problems to consider, but, overshadowing all, calling for immediate solution, will be the question of how to fairly adjust the burden of carrying our national debt. We should have an economic policy launched, broader than class or faction interest, that will build up Canada, develop her vast resources and so enable us through the increased wealth created to be better able to bear the burden of debt we will have. In fact the plan should be to remove the burden and make the debt bear lightly and gradually less lightly on all. This can be done only through patriotic co-operation. Co-operation is the greatest lesson taught us by the war. One of the internal dangers we will have to meet is the danger of forgetting this. We would then be abandoned to the mercy of the faction leaders. Reconstruction would give place to a squabble between them and there would be ahead of us a wilderness of 40 years.

The Industrial Ascendancy of Nova Scotia



The Nova Scotia Technical College.

THE industrial development of Nova Scotia is founded upon the solid rock of Technical Education. The commercial progress of the Province is due not to a series of spectacular booms but to the growth that naturally follows the intelligent utilization of rich and varied resources. The advance made by Nova Scotia in both Primary and Secondary Industries during the past decade is illustrated by the following authoritative figures:

Commodity	Ten years ago	To-day	Percentage of gain
Coal	$16,200,000	$23,600,000	46 per cent.
Gypsum and Lime Stone	725,000	1,250,000	72 per cent.
Coke	2,000,000	5,000,000	150 per cent.
Iron and Steel Products	13,000,000	20,000,000	54 per cent.
Fish	8,000,000	10,092,000	26 per cent.
General Manufactures	38,000,000	47,750,000	26 per cent.
Farm Products	26,500,000	36,117,203	34 per cent.
Lumber	2,000,000	4,500,000	125 per cent.
Clay Products	250,000	450,000	80 per cent.

For full information including descriptive pamphlets write

W. B. MACCOY, K.C.,

Secretary of Industries and Immigration,

197 Hollis St., HALIFAX, N.S.

There are signs, happily, which point away from this and presage a Canada to be developed in the broadest possible way. Selfish interests are becoming submerged, some of them buried never to rise again. The worry of the times, the sacrifices, the loss of kindred, are burning the thought of mutual sacrifice, mutual help and mutual understanding into the minds of many causing them no longer to think, "How does it affect me," but "Will it benefit the nation." We need a leadership that will crystallize this heart thought of our people. Then we will have real reconstruction.

We were fighting in this war to attain the dominance in world policy of a great ideal. Call it democracy if you will, but it is government of the people by the people for the people. We must mold everything to the end that this ideal remain forever dominant throughout the world. The force behind this ideal, the peoples of the allied countries, must in the future live together in harmony. Our common sacrifices and struggles in this war have taught all the lesson of interdependence and support, so that this will be more easily accomplished in the future than ever in the past. The greatest assurance that the two branches of the English-speaking peoples will do so, is the four thousand miles of unfortified boundary line between Canada and the United States. Canada is the connecting link of friendship between the United States and Great Britain and the far-flung overseas dominions. An independent Canada would not be any connecting link. One of the greatest helps to maintain the dominance of our great ideal will be the maintaining of unity of thought among the English-speaking peoples and this can be greatly helped by maintaining in Canada our British connection. This it would seem is a policy to be strictly adhered to. No machination of Teuton or any other race under those conditions could slip a wedge of disaffection or discord between the United States and Canada and, indirectly, the British Empire. There would be small differences, it is true, but as in the past these would be amicably adjusted and never allowed to grow into causes of strife.

For the further insurance of this, our immigration policy should be moulded and modified. We should aim to people this country of ours with people as thoroughly imbued with these ideals of democracy as we are ourselves. If necessary immigration should be restricted, to further this end, until the alien population that we now have is thoroughly Canadianized and has adopted our ideals as its own. It should also be arranged that the alien population we have be not allowed to segregate, making a series of Balkan states in our western prairies or a duplicate of discordant Austria in our very midst.

Develop our Resources at Home.

To build up a strong vigorous nation with healthy ideals and to attract such population as we want, one of the great necessities of reconstruction will be the arranging for such development of our national resources as will provide opportunities for the masses of the people to earn a decent, respectable livelihood. Our own resources should be used for the development of our own country. Neither the product of field, forest or mine should be shipped out of Canada in its raw state for the people of other countries to prosper on through making them up into manufactured articles to sell back to us. The desirable people of other countries should rather be encouraged to come here to do the manufacturing work. In that way Canada would reap the benefit of what the workmen had to spend for their own living expenses. The opportunity lies latent in every acre of our land, every tree and every mine to build up the prosperity of those who work in Canada so as to make light, as I have already said, the vast debt that will rest upon us.

During the war our export of manufactured goods has grown to the satisfactory amount of $636,000,000. Immediately before the war the yearly total was only $43,000,000. Immediately peace is declared war buying will cease. We will then be face to face with a vast contraction of our export business, which, in turn, will mean a vast contraction in the earning opportunities of our population if plans are not early made for new development of our almost unlimited natural resources. Much work can be found for our unemployed population in merely raising the grain, felling the forests, mining our ores and shipping the products out to the many markets there will be. But much more work can be provided and that of a more lucrative kind if we so arrange that all these raw products must be manufactured in Canada. Then when our heroic citizen army returns from the blood-stained fields of France and Flanders they will find comfort and happiness in the land for which they fought so well. We can settle down as a contented people if employment can be offered to all of these to whom we owe so much. The thought that many would have to leave this country for want of work is almost unthinkable. To project and plan for reconstruction along broad, national lines must be our demand on our government. Every encouragement must be given to industrial, agricultural and mining development. Our export trade will need to be still further expanded. Assistance, if need be, for the furtherance of this end should be extended and in no gingerly fashion to increase national facilities for transportation. Railway, waterway, ship and harbor conveniences where necessary will need to be improved and increased. Clear and definite steps should at once be taken by our government to assist the selling of our goods abroad.

Practically the whole population of Canada is scattered along a belt of territory 4,000 miles long by 150 wide. This long stretch adds to our problems and tends to disunity rather than continuity and national development. Unless we are impelled to trade with one another from one end of the country to the other no unity of purpose will ever be ours.

COAL MINING IN ALBERTA DURING 1918

Substantial Gains Have Been Made as a Result of Coal Scarcity—Markets Should Be Held

By John T. Stirling.

It is estimated that the production of coal in Alberta for the year 1918 will be slightly in excess of six million tons, and as the production for the year 1917 was 4,863,414 tons this means that there will be an increase during 1918, over 1917, of approximately 20 per cent. Exact figures are available only for the nine months ending September 30th, 1918, and these figures show that there were produced during that period 4,594,200 tons as compared with 3,182,826 tons during the same period in 1917.

It is gratifying to note that the market for Alberta coal has been extended to such an extent that 384,622 tons of domestic coal were shipped into the province of Manitoba during the first nine months of the present year as compared with 153,243 tons during the same period of 1917. The reason for this large increase is, of course, due to a great extent to the statement made several months ago, by the Fuel Controller for Canada, that shipments of anthracite coal from the United States to Canada would be very considerably decreased during 1918 and also to the fact that an extensive publicity campaign was started by the Provincial Government of Alberta warning customers to put in their supply of fuel at the earliest opportunity. As a result of this campaign a great deal of fuel has been stocked throughout the western provinces, ready for use during the winter months, to such an extent that no shortage of fuel need now be anticipated in the provinces of Alberta, Saskatchewan and Manitoba, even although a severe winter is experienced.

Several new mines have been opened during the year and several abandoned making the total number now in operation 263. There are employed at the present time 2,782 men above ground and 6,195 men underground.

Now that a great deal of the prejudice that has existed in Manitoba and Saskatchewan has been overcome it is to be expected that the market which has been obtained in these provinces during the last few months for Alberta coal, will continue to increase.

There appears to be no reason whatever why any coal should be imported from the United States into these provinces, unless in a few isolated cases where it would appear that small amounts of anthracite coal were essential.

Although the output produced in Alberta has increased so considerably during the past few years, I am of the opinion that if the mines were worked steadily during the whole year without increasing the present labor employed and with the present amount of development work done that between nine and ten million tons of coal could be produced annually. This is a safe estimate, as during four or five months of each year 80 per cent. of the mines are idle owing to lack of orders. Even with the wide publicity that has been given the question of fuel during the last twelve months very few of the domestic coal mines in the province have worked to more than 50 per cent. of their capacity during the months of September, October and November. The same conditions exist in the steam coal mines, although in a lesser degree, and a number of the operators of these mines are becoming seriously alarmed regarding the outlook for market during the next few months.

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INTER-IMPERIAL TRADE PLANS

Extended Commercial Intelligence Service—Outline of the Trade Commissioners' Duties—Developments in Canada

The Trade Commissioner Service of the Imperial Government was considerably extended last year and in this extension the Canadian market occupied a foremost position. The origin and purpose of the service, the character of its work, its inter-Imperial nature, and its Canadian aspects will be briefly described here. First the following official statement may be quoted:—

"The war, instead of exercising a disruptive influence on the British Empire as predicted and hoped by the enemy, has led to a keener realization of the strength of the ties, both moral and material, which bind the various portions of the Empire together. Out of this realization has sprung a growing consciousness of the need for a closer co-operation in all things that matter between the States of which the Empire is composed. It is appropriate that at such a time comprehensive action should be taken with the direct object of fostering and developing inter-Imperial trade. The recent establishment of the Department of Overseas Trade (Development and Intelligence) and the improved and extended service which it will provide at home is a necessary preliminary to any such action; for an intelligent development of trade relations within the Empire must depend upon the fullest possible knowledge of industrial requirements and industrial capabilities in the United Kingdom. The reorganization in the United Kingdom is to be supplemented by a large extension of the service of His Majesty's Trade Commissioners in the Empire."

Of Recent Origin.

The Trade Commissioner Service is of recent origin. At the Imperial Conference of 1907, Sir Joseph Ward, Prime Minister of New Zealand, called attention to the need for official commercial representation of the United Kingdom in the self-governing Dominions. Mr. Lloyd George, then president of the Board of Trade, was able to inform the Conference a few days afterwards that arrangements for the appointment of such officers were being made. The measures which were subsequently taken resulted in the institution, in 1908, of a service of four Trade Commissioners, one being appointed for Canada and Newfoundland, and one each for Australia, New Zealand and South Africa. Each Trade Commissioner has the assistance of a number of Imperial Trade Correspondents situated in various districts of the Dominion concerned. In India and the Crown Colonies and Protectorates the British Government's Board of Trade have had the benefit of the assistance of trade correspondents, mainly officials of the local government, who have acted in an honorary capacity.

Some of Their Functions.

The advantages and importance of a Trade Commissioner Service are now securely established. Among the functions of a Trade Commissioner it is his duty:—

(1) To keep in close touch with the Government and State authorities in the Dominion to which he is attached.

(2) To visit the principal commercial centres in his area and establish touch with the members of the commercial community.

(3) To study and report upon the tariff laws and customs regulations, as well as legislation affecting banking, patents and copyrights, shipping, harbors, etc.

(4) To watch the imports into the Dominion, to furnish reports on the best methods of meeting foreign competition, and to furnish reports on financial and trade conditions.

(5) To forward early information as to contracts open, or likely to be open, to tender, the opening of new industries, and the extension of public works.

(6) To make an annual general report on the conditions and prospects of trade in his area, and to supplement it by special reports or monographs dealing as exhaustively as possible with particular questions which are likely to be of interest to British firms.

Their Daily Duties.

These functions are of a more or less general character. It remains to mention the important daily duties of the Trade Commissioner. He is expected to supply to his department a regular flow of commercial information in regard to openings for British trade in the area with which he is concerned; to supply lists of names of likely importers of British goods and of suitable agents for British producers; to maintain an active correspondence with firms in the United Kingdom who wish to extend their trade with the Dominions; to receive applications from local exporters and importers who wish to enter into business relations with the Mother Country; to advise firms as to conditions under which they should or should not spend money to develop a connection; and to call attention to the particular methods of doing business which are best adapted to the Dominion to which he is attached.

A Trade Commissioner stationed in any Dominion or Colony, and responsible for a particular area, has to make himself fully conversant with:—

(1) The business houses trading in this area, as well as the local manufacturing and public bodies.

(2) The quantity and value that the country purchases of articles which the British manufacturer and merchant can supply.

(3) The tariff and customs regulations for goods entering the country.

(4) The foreign goods competing with British, their method of sale, their character and price.

(5) Freights and charges and the comparative rates between British ports and foreign ports serving his area.

How a Market Is Studied.

All these categories of information are essential to any British exporting house, and an important function of a Trade Commissioner is to obtain precise details with regard to them. For instance, take category (1): these concerns consist, as they do in Great Britain, of:—

(a) Importing merchants—generally wholesalers, though in some instances they are retailers.

(b) Local manufacturers who are importing machinery, material or equipment.

(c) Local agents who import, buying for their own account, some with an exclusive right to serve a particular market, as well as agents acting on commission.

(d) The big railway corporations, municipalities and public works, which are importing all classes of goods.

(e) Mining companies carrying on mining and other similar operations, who are also large buyers; and

(f) Shipping companies, telegraph companies and wireless companies, who are also considerable importers from time to time.

The Trade Commissioner works in close touch with the Government of the territory to which he is attached, and, with the resources at his disposal, he is able to obtain considerable information about all classes of importers.

When the question arises of particular firms acting as agents for British exporters it is necessary to know whom they already represent—whether British or foreign firms—and this is a subject to which particular attention is given by the Trade Commissioner. The correctness of his lists of importers is verified from time to time, and in this respect local firms have shown themselves ready to assist the Trade Commissioner, who, in his turn, is frequently able to assist them. A correct and up-to-date Importers' List is invaluable; it prevents wasteful canvassing and proves beneficial both to the local agents and to the Trade Commissioner.

Makes a Market Analysis.

Every exporter wants to know the extent to which an Empire market purchases goods which the United Kingdom can supply. In order to furnish an answer the Commissioner must analyze the figures of trade so that articles may be eliminated in which business would be highly improbable. The local market has to be scrutinized from two points of view:—

(1) What manufactured articles the British manufacturer can supply.

(2) What entrepot trade can be done by British merchants in articles such as plumbago, spices, rubber, tea, coffee, sugar, etc., etc.

Tariff and Customs Regulations.

No part of a Commissioner's duties is more important than the close study of Tariffs and Customs regulations. More than once anomalies, adverse to British exporting interests, have been detected and successful efforts made to obtain rectification. A Trade Commissioner is working in a very friendly atmosphere in which both the people and their Government are anxious to assist trade with the Mother Country. But he cannot absolve from embarrassments the British exporter who will not take the trouble to observe the regulations. Sometimes British firms are impatient of what they call "red tape," and make needless difficulties for themselves. They should conform strictly to the regulations and should seek to obtain all the information available in regard to the proper way to make out invoices and papers. For instance, the Canadian duties are levied on the value ex-factory, from which sometimes 2½ per cent. is permitted

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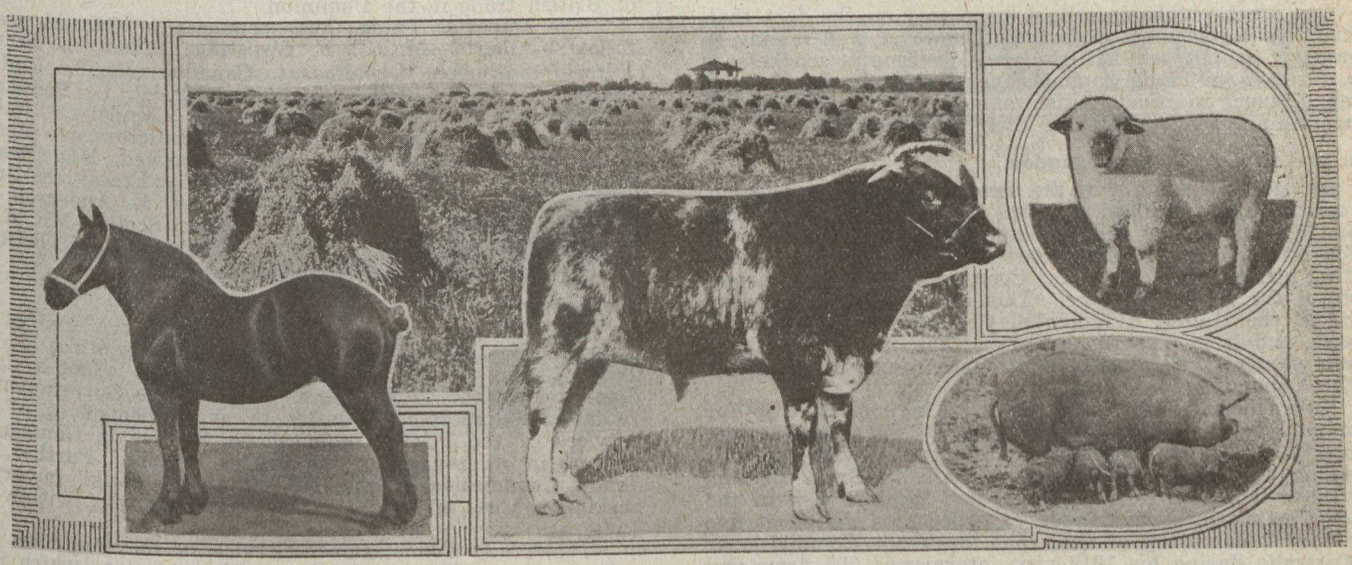

ESTIMATED YIELD AND VALUE OF AGRICULTURAL PRODUCTS AND LIVE STOCK, 1918

	Acres	Bushels	Yield per Acre	Price	Revenue
Spring Wheat	3,848,424	23,090,544	6 Bu.	$2.00 Bu.	$46,181,088.00
Winter Wheat	44,065	771,137	17½	2.00	1,542,275.00
Oats	2,651,548	62,974,265	23¾	.90	56,676,838.50
Barley	470,073	8,461,314	18	1.25	10,576,642.50
Flax	95,920	479,600	5	3.25	1,558,700.00
Rye	47,877	873,755	18½	1.50	1,295,632.50
Mixed Grains	27,989	139,845	5	1.00	139,945.00
Hay	469,000	234,500	½ Ton	20.00 Ton	4,690,000.00
Alfalfa	31,390	31,390	1 Ton	23.00 Ton	721,970.00
Potatoes	30,000	3,750,000	125 Bu.	1.10 Bu.	4,125,000.00
Turnips	7,416	1,483,200	200	.40	593,280.00
Mangolds	1,538	307,600	200	.40	123.040.00
Other Roots	2,552	710,400	200	.50	365,200.00
Animals slaughtered and sold					50,000,000.00
Dairy Products					27,500,000.00
Wool Clip (2,500,000 lbs.)					1,625,000.00
Game and Furs					2,250,000.00
Horticultural					200,000.00
Poultry and Products					4,000,000.00
Total acres (grain) 1918	7,727,792.			Total	$214,154,611.50

Live Stock	Number	Price	Revenue
Horses	791,246	$100.00	$79,124,600.00
Swine	601,534	20.00	12,030,680.00
Sheep	332,179	12.00	3,986,148.00
Dairy Cows	328,702	80.00	26,296,160.00
Calves	397,670	15.00	5,965,050.00
Steers	195,035	100.00	19,503,500.00
Other Cattle	730,949	50.00	36,547,450.00
Bulls	39,226	100.00	3,922,600.00
Total Live Stock	3,417,141		$187,376,188.00

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HON. DUNCAN MARSHALL,
Minister of Agriculture, EDMONTON, ALTA.

JAMES McCAIG,
Chief Publicity Commissioner.

to be deducted, whereas the Australian duties are collected upon the f.o.b. value plus 10 per cent. added.

Foreign Competitive Goods.

Foreign competition is very closely watched by a Trade Commissioner. Directly he observes that a certain class of foreign goods of a character which the United Kingdom could supply is established, or is becoming established in the market, he makes a most careful study of the situation. First, there is the question whether the article is being sold at a lower price, although of equal quality. Next, whether it is more attractive in style or pattern, or better boxed, or has some feature in manufacture which benefits the foreign-made article. Then he proceeds to examine the method of sale, whether it be more economical than ours, or more skilful. The questions of freight, of credit, and of other factors which cause the foreign goods to sell better than British goods are taken into account. When the Commissioner has analyzed the situation, in all its bearings, he is in a position to advise British manufacturers and exporters where to look for a remedy.

Too much emphasis cannot be placed on the fact that, although a Government department, however well it may be organized, cannot sell British goods in Empire markets, it can, through its Trade Commissioners, whether abroad or at home, do much to assist British manufacturers and exporters in maintaining and developing their overseas trade.

Official Visits to United Kingdom.

An essential feature of the Trade Commissioner system, as now being organized by the Department of Overseas Trade (Development and Intelligence), is the manner in which direct touch is kept between manufacturers and exporting houses at home and the Commissioners in the various parts of the British Empire. This is secured by periodical visits to the United Kingdom of Commissioners on service abroad, and it is also the intention that one of the Trade Commissioners shall always be attached to the headquarters of the Department in London.

Nine official visits to the United Kingdom have so far been paid by the Trade Commissioners. These visits were at first for only short periods, but, with the growing demands made on the Trade Commissioners while in Great Britain, they have increased in importance, and the last visit of the Trade Commissioner in Canada extended to a period of five months. It is worthy of note that the Trade Commissioner in Australia during his 1916 visit interviewed 705 firms and deputations and visited 31 works, while the Trade Commissioner in Canada, during his visit last year, got into personal touch with 769 firms, associations and deputations in London and in 24 other important centres, and visited 32 works. The visit of the Trade Commissioner in South Africa, in progress last fall, showed every indication of being similarly successful in regard to the number of firms interviewed, while the invitation to visit works showed a decided increase. It would be difficult to exaggerate the important part which such visits play in the development of the Empire's trade. No person with any knowledge would attempt to depreciate the resourcefulness and enterprise of the British manufacturers and merchants who lifted British trade to its pre-war level. But the experience of ten years' working of the Trade Commissioner Service has proved beyond all doubt that the Trade Commissioners can be of real service in improving and supplementing the British trader's knowledge of the varying conditions in the Empire's markets, the openings which occur for fresh enterprise from time to time and disappear if not accepted with promptitude, and the methods of trading most suitable for a particular area. The visits also serve a most useful purpose in bringing the Trade Commissioners and the officers of the Department at home into direct touch with one another and enabling them to obtain a first-hand knowledge of each other's work. It is proposed to make these visits a constant feature of the Empire's commercial service, and it is hoped that manufacturers and merchants will take full advantage of them as occasion offers.

Extension of the Service.

The work of the Trade Commissioners has been under investigation by the Dominions Royal Commission. In their report, issued in February, 1917, they made strong recommendations in favor of an increase in the number of Trade Commissioners in the Dominions and of an extension of the Trade Commissioner Service to other parts of the Empire. The Board of Trade had simultaneously been engaged on a scheme for the strengthening of the service, and it has now been decided to increase the number of Trade Commissioners from four to fifteen or sixteen. Under the new scheme, so far as the allocation of posts has been decided at present, it is proposed that three or four of the Commissioners shall be stationed at important centres in Canada, the senior of them dealing also with trade in Newfoundland; two Trade Commissioners will be stationed in Australia; one in New Zealand; two in South Africa; two in India; one in the West Indies; one in the Straits Settlements, and one will be unattached to any definite station overseas, but will be available in the Department for any special service.

Under the new Trade Commissioner scheme, provision has been made for an extension of the service in Canada by the appointment of three Trade Commissioners instead of one, as heretofore. The service may be further increased by the appointment of an additional Trade Commissioner at no distant date. The senior British Trade Commissioner in Canada, Mr. G. T. Milne, has his offices at Montreal and the British Trade Commissioner in Ontario, Mr. F. W. Field, has his headquarters at Toronto.

Trade Correspondents have been appointed at important centres in Canada and these Correspondents are in close relationship with the Trade Commissioners and available to the public to answer enquiries with a view to the promotion of British trade in the Dominion.

The Imperial Trade Correspondents in Canada are as follow:—Alberta—Mr. J. F. Sweeting, Industrial Section, Natural Resources Department, Canadian Pacific Railway Offices, Calgary. British Columbia—Mr. P. G. Shallcross, c/o Messrs. Shallcross, Macaulay and Company, Limited, 144 Water Street, Vancouver; Mr. J. J. Shallcross, c/o Messrs. Shallcross, Macaulay and Company, Limited, P.O. Drawer 730, Victoria. Manitoba—Mr. W. J. Healy, Free Press Building, Winnipeg. New Brunswick—Mr. W. E. Anderson, 162 Prince William Street, St. John. Nova Scotia—Mr. E. A. Saunders, Board of Trade, Halifax. Quebec—Mr. G. B. Ramsey, 53 Dalhousie Street, Quebec.

Inter-Imperial Nature.

The Canadian Government has accepted the offer of the Imperial Government and will utilize the services of the Trade Commissioners at points where there is not a Canadian Government Trade Commissioner. The Government of India have expressed a desire to avail themselves of the services of the Trade Commissioner Service in Canada, as well as in other parts of the British Empire. Further, the Trade Commissioners will be willing to assist importers seeking sources of supply of raw materials, etc., within the Empire.

The Trade Commissioner Service in the Dominion can only justify itself in proportion to the extent to which it is used by those interested in the development of trade between Canada and other parts of the British Empire.

LESS LIVESTOCK IN EUROPE

Sir William Goode, of the British Ministry of Food, recently cabled the Canada Food Board, a statement of the livestock in the chief European countries, which is of the utmost significance to Canadians. He says:—

"There is throughout Europe a serious deterioration in the numbers of livestock. The allied and neutral home-produced meat supplies cannot improve for several months, hence an insistent demand for overseas supplies will be inevitable. The meat situation in Germany, especially in Austria-Hungary, is considerably more difficult than we had anticipated, thus further increasing the call upon exportable surpluses to the limit of our transport capacity.

"Owing to the universal reduction of pigs, the world production of bacon, hams, pork and lard at present is unequal to the demands, including those of the United Kingdom, which has always been by far the largest consumer of imported pig products.

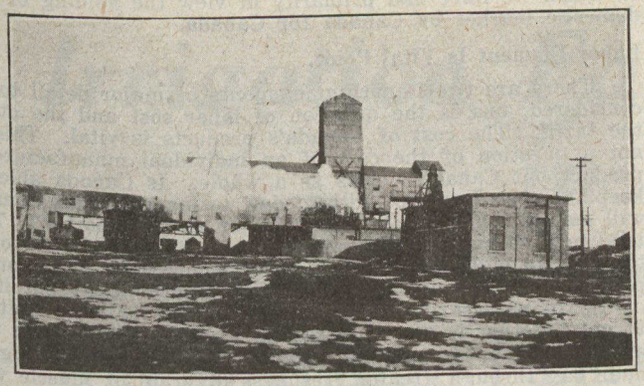
"The milk yield in general is greatly diminished; in fact, almost to a vanishing point in Central Europe, Holland, Switzerland and Scandinavia, which are normally large exporters of dairy products, will probably not have any considerable surplus for the United Kingdom, which will thus be practically dependent on imported fats entirely from the Dominion of Canada and the United States."

The following shows the decreases in most of the countries given in Sir William Goode's cablegram:—

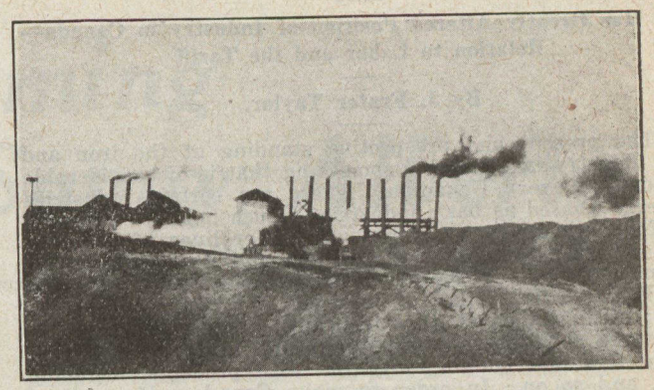
Cattle—France, 2,366,000; Italy, 996,000; Denmark, 345,000; Sweden, 599,000; Germany, 2,200,000; Austria-Hungary, considerable.

Sheep—France, 2,258,000; Italy, 138,000; Denmark, 47,000; Holland, 200,000; Austria-Hungary, considerable.

Pigs—France, 2,815,000; Italy, 354,000; Denmark, 1,873,000; Sweden, 352,000; Holland, 162,000; Germany, 19,396,000; Austria-Hungary, considerable.



C.F.R. Mine No. 6.

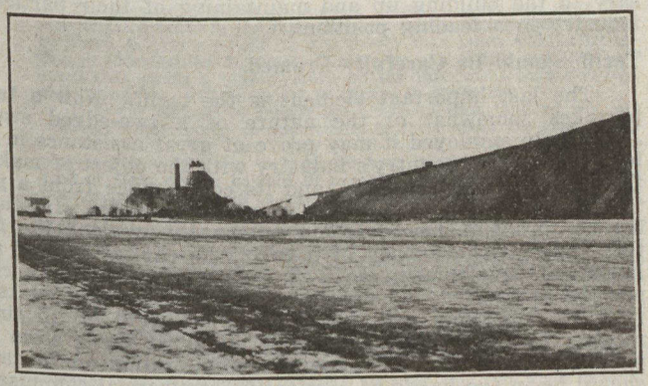


C.P.R. Mine No. 3

LETHBRIDGE

and

RECONSTRUCTION



Chinook Collieries.

North American Collieries.

LETHBRIDGE is a city of about 13,000 inhabitants, situated on the Crow's Nest Branch of the C.P.R., in the centre of the celebrated Galt Coal field and also of the greatest wheat producing district in the world.

LETHBRIDGE is so situated that there is no city to the south between it and the international boundary 50 miles away, nor to the north for a distance of 150 miles, nor to the east for a distance of 110 miles, while the Crow's Nest Pass coal and lumber fields are its territory to the west.

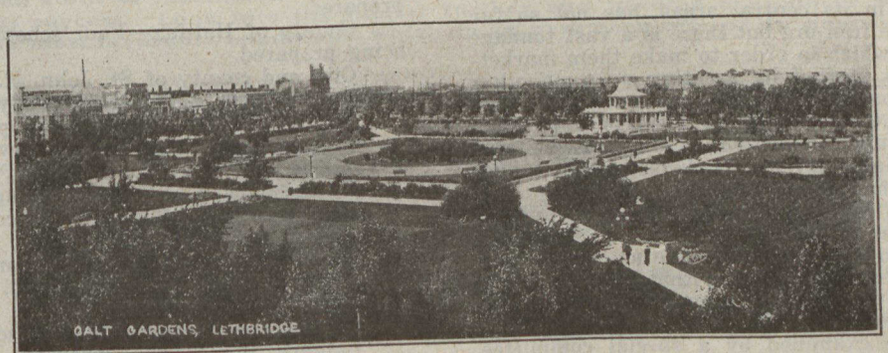
LETHBRIDGE offers many natural inducements for the profitable investment of capital, in that she has cheap power—steam, electric and natural gas; a wide and growing market; good transportation service north, south, east and west, and natural exports that insure prosperity.

LETHBRIDGE district has an irrigation system covering 125,000 acres touching the city boundary, so that it must necessarily become a great stock centre.

LETHBRIDGE has a record of exports for the last three years that is astounding, some of these are:

Coal average for years 1915, 1916, 1917	**$13 000,000**
Wheat average for years 1915, 1916, 1917	**63,000.000**
Live Stock average for years 1915, 1916, 1917	**4,823,978**
Wool average for years 1915, 1916, 1917	**855,000**
Total	**$81,678,978**

LETHBRIDGE is governed by an elected commission of three and prompt action on all questions is the rule, and it is acknowledged to be the most beautiful city of the prairie country.



Galt Gardens, Lethbridge

LETHBRIDGE would appear to offer a splendid opportunity for a meat packing plant.

The City Council or Board of Trade will be pleased to give further information.

IRON AND STEEL PROBLEMS

War Has Greatly Altered Position of Industry in Canada—Relation to Labor and the Tariff

By J. Frater Taylor.

The present and prospective standing of the iron and steel industry in Canada is something that is of considerable moment to every Canadian. There are certain industries properly classed as basic industries. Such industries furnish the foundational raw materials for other lines of business. This is particularly the case with iron and steel which enters into most things. A brief consideration will demonstrate that this is so. Steel rails, for instance, are required for railways; structural steel, that is beams, angles, channels, for structures such as ships, buildings and bridges; plates for locomotives and boilers; wire for wire products, including nails, and so on. In order to make Canada self-contained from the double point of view of reducing imports and of providing employment in Canada, it is very essential that above all things the basic industries should be protected and developed. Before the war the steel industry, which previously had been fostered to some extent by bounties, was not in a very satisfactory condition. Iron and steel works existed, the foundations for the most part were well laid, but the outlook from a "sales" point of view was not over satisfactory.

Obviously in Canada the demand for iron and steel is not as in the United States. A steel plant in Canada must be elastic to the extent that it can turn out a much more diversified product. This might imply that a steel plant, for instance, would have to be equipped with numerous rolling mills. This is so but mill combinations have been and will probably be devised to cope with this particular feature, it being obviously impracticable and impossible commercially to meet conditions otherwise. A somewhat similar situation exists in the American northwest which it is expected the Minnesota steel plant of the United States Steel Corporation is designed to reach, at all events if our information is correct that particular plant is equipped with what is called a "combination mill" with the express object of rolling as great a variety of product as possible on that particular mill. In Pittsburg, for instance, there is sufficient demand for rails to warrant their being rolled on one mill, i.e., on a mill set apart for rails only, and there would be sufficient demand for heavy structural steel to warrant its being rolled on another mill, but in Canada for the sake of economy and to meet conditions as many varieties as possible must be produced from one rolling mill.

We have seen that the steel industry prior to the war was developed up to a point. No rolling mills for the manufacture of heavy structural steel existed, yet prior to the war such steel was imported in substantial quantities. During the war period steel plants were developed along lines which made for a heavy output of war materials, particularly of shell steel for munition purposes. To a considerable extent the increased steel making capacity was and is in the right direction but steel must be produced now for other purposes than shells, and it seems to the writer that one of the most important things confronting those who are studying the carrying on of Canada industrially after the war must be the development of the basic steel industry with the object of insuring that all wheels are kept turning and that imports are lessened. And further—development should be carried deeper down than in the mere installation of such as rolling mills.

Must Use Low Grade Ore.

Canada, especially in its central areas, has not so far located much high grade iron ore but there is a vast tonnage of ores of lower grade, which in order to make them marketable or usable must be treated by roasting or some other process. The cost of roasted or treated ore until the treatment is down to a scientific commercial basis, or until costs of ores from the Lake Superior portions of the United States automatically reach a higher level, must be somewhat higher than the cost of ores that do not require treatment. It is to overcome this period that a bounty or something of the kind on the production of low grade ores is suggested. Bounties are looked upon with a considerable amount of misgiving, but the suggestion is not made that those bounties should exist beyond a period long enough to produce the ores in question commercially. The problem is one which might very properly be examined by a special committee. It would indeed be a matter of great moment to Canada to have those leaner ores developed and mined.

So much then for the basic features in the elaboration of which we have had primarily in view the holding of the domestic market by Canada for Canada.

Labor Element Is Vital Point.

There are two important elements of major detail to be considered; one is the question of labor cost and the other the tariff. The cost of Canada's products is vital. This is not a question of the cost of an individual manufacturer's product but Canada's costs as a whole. Is Canada able to keep the cost down, all with a view to insuring that Canada will maintain and develop her position as an exporter? The tendency seems to be towards shorter hours for labor—towards an eight-hour day; I do not know that such a prospect is being or will be received unsympathetically but it is distinctly necessary for labor and what is called "capital" to get together to see what can be worked out, all from the ability to compete point of view as the basis. If an eight-hour day through greater freshness of brain or muscle will insure satisfactory output from the factories, both as regards quantity and quality, there should be little to be apprehensive of. The brains of the men in the "plant" must contribute their thoughts, as they surely can do, to the ingenuity necessary to the building up and maintaining of their particular industry in a leading position.

Tariff Should Be Carefully Framed.

The last important element is the tariff. Now a tariff partakes somewhat of the nature of a two-edged sword. Judiciously employed it may prove of great assistance in the building up of a country's industry with the object of making that country self-contained, and its continuance from a protective point of view may likewise prove advisable. In studying the problem, however, one can hardly overlook the fact that through the agency of a tariff the capital cost of any industrial development, as well as the manufacturing cost, may be prejudiced. The tariff, especially from the points of view of imposition and administration, should at all times receive the closest possible consideration. It would seem the part of wisdom that the general administration of the tariff should be in the hands of a scientific commercial commission well qualified to deal with so important an instrument.

As for the general outlook, no one can expect that transition from a war to a peace footing can be accomplished without any disturbance, but that disturbance may be more or less according to the skill and judgment brought to bear upon Canada's industrial problems in these times. Between the government, the manufacturer and the direct consumer there should be close co-ordination for the first few years of peace times. It is well to bear in mind that in reference to problems of the kind, most of the thinking should have been done, because the time for action has undoubtedly arrived.

TOWN AND CITY PLANNING

The vast majority of Canadian towns and cities have grown up in a haphazard fashion. There are, however, a few cases where more or less systematic lines have been laid down. Some time ago the Commission of Conservation established a town planning branch which has assisted municipalities in work of this kind. The following is a list of systematic municipal work of this kind:—

City of Halifax—Devastated area. Scheme completed and buildings being erected.

City of Halifax—General scheme authorized and being prepared.

County of Halifax—Four schemes for over 20,000 acres being prepared.

City and county of St. John, N.B.—Scheme nearly completed for 20,000 acres after two years' work.

Borden, P.E.I.—Scheme being prepared.

Kipawa, Que.—Plan of new town completed, and houses and mill being erected for Riordon Pulp and Paper Company.

Hawkesbury, Ont.—Model village plan completed.

Renfrew, Ont.—Plan nearly completed for town and suburbs.

Hamilton, Ont.—Plan partly completed.

Ojibway, Ont.—Plan completed. Three hundred houses to be erected this year.

Swift Current, Sask.—Plan of scheme drafted.

Calgary, Edmonton, Lethbridge and Medicine Hat—Preliminary plans prepared and schemes in course of preparation.

Irrigation Farming in Sunny Alberta

Why an Irrigated Farm?

The first question asked by the farmer who has not had previous experience in irrigation is, "Why should I buy an irrigated farm, when I can get land in Western Canada that will grow good crops without irrigation?"

The question demands an answer. Irrigated lands cost more than non-irrigated lands in the same districts (although irrigated lands in Southern Alberta are sold for less money than lands without irrigation in older settled districts). Unless we can satisfy you that irrigated land yields a bigger return on the investment than non-irrigated land, you will not **want to engage in irrigation.**

It is our purpose to answer the above question, and all who are sincerely interested in an opportunity to farm under the most favorable conditions will find every word herein worth reading. The reasons you should buy an irrigated farm in preference to any other kind of farm cannot be told in a sentence or a page, but here are some points which help to answer the question:

1. The irrigation farmer is not at the mercy of the weather. You wouldn't live in a hause without some kind of heating plant, trusting to the moderation of the weather, would you? Then why should you live on a farm with no watering plant, risking your crop and your prosperity upon the uncertainty of rainfall? By means of his irrigation system the irrigation farmer controls the moisture on his farm just as accurately as you, by means of stoves or furnace, control the temperature in your house.

2. The irrigation farmer gets bigger crops. Now and again the farmer on non-irrigated land gets a bumper crop. What causes a bumper crop in Western Canada? Simply this, the right amount of moisture at the right time. Given these conditions, a bumper crop on the fertile land of Western Canada is assured. But the most perfect climate is subject to variations; these conditions do not come every year. To the irrigation farmer they do come every year. His personal experience, the advice which the company's experts stand ready to give him, and the experiments of the Dominion Government are at his command to show just when he should use moisture, and how much. He may make mistakes at first, just as the man with a new furnace will not get the best results until he learns how to use it. But the man with the new furnace does not sit and freeze because he does not understand it at first; he studies his plant and soon masters it. So the irrigation farmer studies his soil, his crops, the climatic conditions of his district, and learns to treat his land in such a way that when he plants a crop he knows he is going to reap a harvest. So while the farmer on non-irrigated land gets a bumper crop now and again, the irrigation farmer gets one every season.

3. The irrigation farmer can grow a greater variety of crops Not only does he grow more to the acre, but he grows more kinds, thus permitting him to employ more scientific crop rotation, and supply more of his needs. In the Canadian Pacific Railway Company's Irrigation Districts, for instance, he can grow alfalfa, "the king of fodders," with great success. Alfalfa on irrigated land is the foundation of the live stock and dairy industry. He can grow vegetables with greater success, by applying just the right amount of water at the right time; the same is true of small fruits, and, as the country develops, will doubtless prove true of larger fruits, which are already grown in the older irrigated districts of Alberta.

4. The irrigation farmer has a better climate. As there is less wet weather, he has more bright sunshine than in districts which depend on rainfall for moisture. His plans are not so often interrupted by unfavorable weather. If there is anything more exasperating to a dry farmer than drouth in the growing season, it is rain in harvest. The irrigation farmer never suffers from the first, and rarely from the second. He does not have the same loss of time of himself, his men, and his equipment on account of rain. His live stock thrive better. He has better roads, and in Alberta he has the finest climate of any agricultural section of the American continent.

5. The irrigation farmer has greater community advantages. The very nature of irrigation tends to close settlement. The farms are comparatively small, because they produce more to the acre, and fewer acres are necessary to support the farmer. The settlement is confined to certain definite areas, instead of scattered over a whole country. Consequently there are neighbors close at hand; schools, churches, telephones, mail deliveries, and all community organizations flourish as is not possible under other conditions.

6. The irrigation farmer does not need to summer-fallow his land. In districts where dry farming is practised, half the land is summer-fallowed each year to conserve the moisture for the following year's crop. In districts where this is not necessary, much summer-fallowing must still be done to keep the land free from weeds. But in irrigation districts it is not necessary to leave land fallow in order to conserve moisture. As to weeds—every farmer knows it is in dry seasons the weeds make their great inroads. Water overcomes them largely, and whatever water fails to do is accomplished by rotation of crops and good cultivation. It is true the irrigation farmer puts more work on an acre than does the dry farmer (except in growing alfalfa) but he makes every acre bear crop every year, instead of leaving half his farm fallow.

7. The irrigation farmer's land never wears out. As soon as it shows any disposition to lose its fertility, he plants it to alfalfa, which restores the nitrogen to the soil, and makes it richer than it was in the days before it ever knew a plow. The alfalfa he feeds to his live stock, and the manuure, in turn, goes back to the soil, thus replenishing it doubly. After a number of alfalfa crops the land is planted to some such crop as sugar beets; then two or three crops of grain are taken; then back to alfalfa. A farm may be cultivated in this way forever without losing its virgin fertility.

8. The irrigation farmer makes a home. His system of agriculture, rotating crops over a period of years, means that he is going to give his life to his profession. He is not in the business to mine his soil for a few years, get two or three snap bumper crops, and move on, leaving his farm weed-ridden and exhausted. On the contrary, every year his land becomes more valuable not for speculation, but for actual production. Consequently there is no purpose in leaving it. If, when he buys a farm, he plants on it some of the trees which the Canadian Pacific Railway Company furnishes free for the purpose, he will in a few years have fine groves and shelter belts, which relieve the bareness of the prairie and give his farm a home-like appearance. The shelter belts allow him to grow small fruits in a profusion that would not otherwise be possible. With his dairy cows, his hogs, sheep, and poultry, his vegetables and fruit, he becomes as nearly independent as it is possible for anyone to be under the conditions of modern civilization. What other business or industry offers a future so desirable?

The above may be said to be the theory of irrigation, but the theory works out in actual practice. In 1918 farmers on irrigated lands bought from the C.P.R. threshed crops of wheat running to thirty and forty bushels per acre and more. Other crops yielded proportionately. Alfalfa and fodder crops produced enormous returns while gardens were ripe with strawberries, raspberries, tomatoes, pumpkins, squash, melons and all kinds of vegetables. The irrigated farm in Western Canada has demonstrated its success. Look into the matter further and become a producer of food under the most favorable conditions which have ever been offered to new settlers.

For full Information Apply to

Allan Cameron, Calgary, Canada

GENERAL SUPERINTENDENT OF C.P.R. LANDS

972 1st Street East

Mining Conditions in Northern Ontario

Production of Silver, Gold, Nickel, Copper, Molybdenite and Barite—Gold Miners in Peculiar Position—Chief Features of Report of A. A. Cole, Mining Engineer of the Temiskaming and Northern Ontario Railway

WHEN the great war broke out mining, like most of the industries, felt the shock and took a little time to readjust itself to new conditions. Then when the tremendous war orders began to come in almost all metals except gold and silver increased in value. Gold, as the basis of values, nominally remained stationary, but silver did not seem to be needed, the demand slackened and the price dropped. The silver market went from bad to worse till at last the price of 46 cents per ounce was reached, the lowest price ever recorded in the history of the industry. Naturally these conditions had an adverse effect on the production of the Cobalt Silver Camp, and all operations were curtailed. Several of the mines continued producing silver, but stored it all awaiting a more favorable market, and when the rise did come these companies reaped the benefit.

All the principal warring nations are operating on a gold standard, consequently each nation began to hoard its gold with the result that it practically disappeared from circulation. Ordinary business had to be carried on by the use of the small amount of silver coinage already in circulation and with paper money for the rest. Even in times of stress much less serious than the present the average individual prefers silver to paper, and this is particularly the case in Europe, so that the demand for a larger silver coinage gradually became more and more insistent. Great Britain, France, and the United States all entered the silver market, with the result that a more phenomenal rise took place, and the silver miner at last considered that he was coming into his own. The price at the end of 1916 was 75 cents per ounce, and this price held till July, 1917, when a further rise took place, reaching a maximum on September 25th when the price was $1.08⅛ per ounce. Then the price receded to about 85 cents, at which point it stood when the year closed. The average price for the year was 81.47 cents.

Cobalt in Demand.

In the early days of the Cobalt Camp a small allowance was made to shippers for ore containing a cobalt content of from 6 per cent. up. Then for some time no allowance whatever was made for the cobalt contents of the ore, but recently the demand for metallic cobalt has increased to such an extent, particularly for the manufacture of the alloy "stellite," that the smelters are paying again for the cobalt. One mining company's receipts for the year for cobalt contents alone amounted to $40,000. Still more recently the demand has become keener, one of the reasons being that there is a large call for arsenic as well as cobalt, and as the cobalt occurs as an arsenide in the ores of the Cobalt Camp, the arsenic contents rise with the cobalt.

At present there is a great call in Cobalt for a metallurgical process for the economical treatment of flotation concentrates, and although a considerable amount of investigation has taken place, no satisfactory method of treating this material at the point of production has yet been discovered. Shipments of flotation concentrates will, therefore, continue to the smelters at Denver, although a combined freight and treatment charge of over $24 per ton has to be paid.

The flotation process has made important advances during the year, but the uncertainty of the standing of the different flotation patents and the fear of costly litigation similar to that experienced in the United States has undoubedly retarded expansion. Fortunately, the Canadian patent laws are much more liberal than those of the United States, so that an infringer of a patent in Canada can only be compelled to pay a reasonable royalty for the use of a patent. The mine operators of Cobalt do not object to paying a reasonable royalty, but they do want the matter settled so that they may know what they have to count on on this score. The Dominion government has promised to take action and to have a reasonable royalty set.

Statistics of Silver Production.

The total silver production of the Cobalt district up to the end of 1917 is shown in the following table, taken from the preliminary report of the Ontario Bureau of Mines:—

	Average price cents per ounce.	Ounces.	Value.
1904	57.2	206,875	$ 111,887
1905	60.4	2,451,356	1,360,503
1906	66.8	5,401,766	3,667,551
1907	67.5	10,023,311	6,155,391
1908	52.9	19,437,875	9,133,378
1909	51.5	25,897,825	12,461,576
1910	53.5	30,645,181	15,478,047
1911	53.3	31,507,791	15,953,847
1912	60.8	30,243,859	17,408,935
1913	57.8	29,681,975	16,553,981
1914	54.8	25,162,841	12,765,461
1915	49.69	24,746,534	12,135,816
1916	65.661	19,915,090	12,643,175
1917	81.418	19,401,893	16,131,013
Total		274,724,172	$151,960,561

The production according to source was as follows:—

	Ounces.
Cobalt	18,327,258
South Lorrain	10,000
Gowganda	1,064,635
Silver recovered from gold and copper ores	77,914
Total	19,479,807

Companies in Operation.

The leading shipper was the Mining Corporation of Canada with an output of 4,546,065 ounces for the year. Other mines shipping over one million ounces were the Nipissing, Kerr Lake, Crown Reserve, O'Brien, Miller-Lake-O'Brien and McKinley-Darragh. The only new shipper produced during the year was the Adanac.

Among the few shippers of silver ore outside of the Cobalt Camp proper, the Miller-Lake-O'Brien of Gowganda is easily the most important. Last year a most spectacular find was made on this property and this year the favorable development of this discovery has been the means of reviving considerable interest throughout the Gowganda district. It is noticeable, also, that the most active exploiting of the prospectors in this district is being done by some of the best known Cobalt companies, which are using part of their surpluses in this way in an endeavor to increase their mining holdings in the district. This augurs well for the district, as these companies, with their experience gained in Cobalt, would not go into a new district if they did not consider there were good prospects there. That experience will also enable them to work the claims to the best advantage. Among the Cobalt companies adopting this policy are the Mining Corporation of Canada, Crown Reserve, Kerr Lake and LaRose, and we find that some of these companies are also acquiring some excellent gold prospects.

There is such a demand for silver from the allied nations that it now may be considered a war metal and its production a patriotic service. Apart from this the mining companies have taken a leading part in all patriotic work. The assistance given by a number of the mining companies to their employees in helping to increase the output of garden produce was most noteworthy, and was attended with satisfactory results.

Gold.

Gold being the general basis of exchange its value is supposed to remain stationary, no matter how other commodities may fluctuate. If, however, all the necessities of life, such as

PROVINCE OF QUEBEC

Department of Colonization, Mines and Fisheries

The Chief Minerals of the Province of Quebec are Asbestos, Chromite, Copper, Iron, Gold, Molybdenite, Phosphate, Mica, Graphite, Ornamental and Building Stone, Clays, etc.

The Mining Law gives absolute security of Title and is very favourable to the Prospector.

MINERS' CERTIFICATES—First of all, obtain a miner's certificate from the Department in Quebec or from the nearest agent. The price of this certificate is $10.00, and it is valid until the first of January following. This certificate gives the right to prospect on public lands and on private lands, on which the mineral rights belong to the Crown.

The holder of the certificate may stake mining claims to the extent of 200 acres.

WORKING CONDITIONS—During the first six months following the staking of the claim, work on it must be performed to the extent of at least twenty-five days of eight hours.

SIX MONTHS AFTER STAKING—At the expiration of six months from the date of the staking, the prospector, to retain his rights, must take out a mining license.

MINING LICENSE—The mining license may cover 40 to 200 acres in unsurveyed territory. The price of this license is Fifty Cents an acre per year, and a fee of $10.00 on issue. It is valid for one year and is renewable on the same terms, on producing an affidavit that during the year work has been performed to the extent of at least twenty-five days labor on each forty acres.

MINING CONCESSION—Notwithstanding the above, a mining concession may be acquired at any time at the rate of $5 an acre for SUPERIOR MINERALS and $3 an acre for INFERIOR MINERALS.

The attention of prospectors is specially called to the territory in the North-Western part of the Province of Quebec, north of the height of land, where important mineralized belts are known to exist.

PROVINCIAL LABORATORY—Special arrangements have been made with POLYTECHNIC SCHOOL of LAVAL UNIVERSITY, 228 ST. DENIS STREET, MONTREAL, for the determination, assays and analysis of minerals at very reduced rates for the benefit of miners and prospectors in the Province of Quebec. The well equipped laboratories of this institution and its trained chemists ensure results of undoubted integrity and reliability.

The Bureau of Mines at Quebec will give all the information desired in connection with the mines and mineral resources of the Province, on application addressed to

The Honourable HONORÉ MERCIER, Minister of Colonization, Mines and Fisheries, Quebec.

How to Acquire Authorization for the Development of Water-Powers in the Province of Quebec

To obtain authorization for the utilization of a Water-Power in the Province of Quebec, application should be made to the Honourable Minister of Lands and Forests.

Water-Falls capable of developing less than 200 H.P. may, under certain circumstances, be bought outright. But those of over 200 H.P. are granted under emphyteutic leases, the conditions of which are upon the following lines:—

1.—The duration of the lease is from 25 to 99 years according to the importance of the water-power and to the amount of capital required for its development.

2.—Payment of a yearly rental—which does not vary during the term of the lease—for the land granted, counting from the date of the signature of the contract.

3.—Payment of an additional yearly charge, or royalty of from 10 to 50 cents per H.P. developed, according to the geographical situation of the water-power, and such charge being payable from the time the power is produced.

4.—The above royalty (art. 3) is subject to revision every 21 years counting from the date of the signature of the contract.

5.—A delay of two years is granted for beginning works and two further years for producing power.

6.—The lessee is under obligation to make a deposit in money, or in securities, as a guarantee of good faith in the carrying out of the contract. Such deposit may be forfeited if the conditions are not fulfilled; but if they were, it may be refunded after a certain time.

7.—Lastly, the grantee must submit plans of his works, mills, etc., to the Department previous to their installation, and when such installation is completed, he must keep the Department informed as to the quantity of power produced.

wheat, increase in value so that an ounce of gold will only buy half the amount that it would buy before the war, then this amounts to a depreciation in the value of gold. This is the plight in which the gold mining industry finds itself at the present time. Not only is the cost of labor going up, but all commodities used in the production of gold have gone up, while at the same time there can be no rise in the value of the gold product to effect this increased cost.

In the Porcupine gold area, notwithstanding these adverse conditions, the production for the year amounts to 398,257 ounces, with a value of $8,229,744.

The leading producers with their approximate outputs were:—

Company.	Ore milled. Tons.	Gold recovered. Ounces.	Value.
Hollinger Cons.	514,301	204,810	$4,233,777
McIntyre-Porcupine	175,893	81,827	1,606,126
Dome Mines	359,570	71,193	1,471,705
Porcupine-Crown	39,111	18,180	375,766
Porcupine V.N.T.	34,971	10,416	208,350
Schumacher	37,323	9,551	197,413

In addition to the above small outputs were made by the Dome Lake and Newray.

Deep Mining Being Developed.

The favorable deep developments in the McIntyre, Hollinger, Porcupine, Crown and Dome Mines, as well as the information gained by deep diamond drill cores tend to show that the ore at depth is of the same character as higher up, and all these indications point to the probability of deep mining at Porcupine.

Outside of the producing mines there have been important working extensions of the camp both north and south. The Ankerite property in northern Deloro, belonging to the Coniagas Mines of Cobalt, has started the sinking of a 500-foot shaft on contract. The Maidens-Macdonald, an adjoining property, has also been bought by the same interests.

Control in the Newray, formerly the Ray property, situated to the north-east of the Pearl Lake group, has been acquired by Crown Reserve and Dominion Reduction interests of Cobalt. This was one of the early discoveries of the Porcupine camp, but owing to lack of sufficient capital, the property was never given a thorough testing out. Recent developments indicate that it is likely to become an important producer in the future. A number of claims in northern Tisdale are also being opened up and will be given further prospecting development.

Kirkland Lake District.

The Kirkland Lake district ranks next to Porcupine in importance in the gold area. This district was very active during the year, and many new properties have been opened up, extending the probable producing area very materially. The new development has been mostly to the west and south-west of Kirkland Lake.

The following is a list of the most active properties running roughly from west to east: Canadian Kirkland, United Kirkland, Kirkland Lake, Kirkland Porphyry, Teck-Hughes, Minaker Kirkland, Lake Shore, Wright-Hargraves, Aladdin Cobalt, Tough-Oakes, Fisher, Ontario.

The only two producers were the Tough-Oakes and the Teck-Hughes.

Company.	Ore milled. Tons.	Gold recovered. Ounces.	Value.
Tough-Oakes	38,605	16,384	$338,593
Teck-Hughes	11,257	3,181	65,753

The Teck-Hughes mill has been doubled in capacity so that it now treats 80 tons per day. The main shaft is being sunk to the 700-foot level. The Lake Shore has developed an ore shoot containing some spectacular ore on the second level under Kirkland Lake, and a cross-cut is now being driven to cut this ore on the 400-foot level. The Lake Shore mill, with capacity of 75 tons per day, started operations in March, 1918.

The Kirkland Lake Gold Mines are sinking a central shaft to the 700-foot level. The foundation for their mill is now complete and the mill is expected to be ready for operation by next September. The Kirkland Porphyry Company also plans a mill for 1918.

Favorable deep developments on the operating properties, particularly on the Kirkland Lake, Teck-Hughes and Lake Shore properties, are of a most encouraging nature and indicate that further extensions to the producing zone are likely to be found extending to the west and south-west of the present operators around Kirkland Lake.

In Munro Township the Croesus Mine has replaced its plant and rebuilt its mill which were wiped out by the devastating fire of 1916. The mill was ready for operation in the spring of 1917, but owing to water troubles in the mine the mill has not been operated continuously. The mill has a 30-40-ton daily capacity, but the company still ships high-grade hand-sorted ore to the smelter.

At Boston Creek the Miller-Independence produced a little gold and the Patricia Syndicate started development.

The Bourkes Mines, Limited, situated near Bourkes Station, in the Township of Benoit, have installed a small plant and have disclosed some spectacular ore in development.

Ore Discoveries.

Among the notable gold finds made during the year one in Rickard Township stands out pre-eminently. The original discovery has been acquired by the Mining Corporation of Canada, camps are now being erected and development started. Some spectacular material has already been produced. A very promising find has also been made in the Lightning River district. This is reached either from Ramore Station or by a 30-mile bush road north-east from Kirkland Lake. The ore is quartz in a vein varying from one to five feet in width.

Larder Lake, Powell, Skead and McElroy all show a little activity.

The work that is being done in the gold area is of such a nature as to put the whole industry in better shape for the future and we may expect to see the production steadily increase both by larger output from the present producers and also by the development of prospects into mines. If the gold mining industry can make such progress in the face of present adverse conditions the return to anything like normal conditions in the future can be looked forward to most hopefully.

Nickel.

The Alexo Mine continued to ship nickel ore during the year to the Mond Nickel Company's smelter at Coniston, Ontario. The shipments for the year amounted to 5,604.85 tons.

Copper.

The copper property opened up at Cedar Lake, about four miles north of Temagami Station, which was under option to M. J. O'Brien, of the O'Brien Mine, Cobalt, was worked from early in the year to the end of the first week in September. The surface exposure was one of the best copper showings that has been found in this part of the country and from it there was shipped a car and a half assaying as follows:—

Gold	.005 ounces.
Silver	1.96 "
Copper	7.95%
Nickel	6.00%

A 55-foot shaft was sunk on Claim 1,623 to a depth of about 60 feet, and over 200 feet of cross-cutting and drifting done. At this depth the deposit broke up and became shattered into a number of unworkable stringers with considerable copper pyrites, which was so sparsely disseminated as to be uncommercial.

The veins were found underground to behave very much as the veins found in the Keewatin at Cobalt. Pockets of copper were encountered, but the expense and difficulty of doing further work to determine the existence of any large body of copper ore were considered to be inadvisable, and further work has been abandoned for the present.

Molybdenite.

Interest has revived in an occurrence of molybdenite at mileage 76½ and arrangements are being made for further development.

Barite.

Barite is now being worked by the Premier Langmuir Mines, Limited, the only working barite property in Northern Ontario.

Location.—The property consists of seven patented claims situated on the southern boundary of the Township of Langmuir, on the east branch of the Night Hawk River. It is 30 miles by water route from Connaught Station on the Porcupine Branch of the Temiskaming and Northern Ontario Railway, and six miles up the Night Hawk River from Night Hawk Lake.

Ore.—The vein consists of white barite 5 feet-10 feet wide, containing sufficient silver near one wall to make a

(Continued on page 250.)

RAILROAD LEADERSHIP IN CANADA

Presidency of Canadian Pacific Railway is Position of Vast Importance in Canada's Industrial Life

Two events stand out as being of foremost importance in the history of the Canadian Pacific Railway during the year 1918. In March, through legislation passed by the Dominion government, the road was placed upon a new footing as regards its financial relations with the Dominion. An increase in railroad rates had become necessary, owing to the financial condition of the other roads. This increase was not required by the Canadian Pacific. An advance of 15 per cent. in rates was, however, granted to all railways in Canada, but special taxation was levied on the earnings of the Canadian Pacific with a view to depriving it of the benefit of that increase.

The other event was a change in the personnel at the head of the road. In October, Lord Shaughnessy, who had been president since 1899, retired from the presidency while remaining chairman of the company and was succeeded by Mr. E. W. Beatty, formerly vice-president and general counsel, and the first Canadian to become head of the executive. Mr. Grant Hall, formerly vice-president and general manager of western lines, became one of the vice-presidents of the road, succeeding Sir George Bury, who retired owing to ill-health.

Railroad problems have loomed large in Canada since 1914, as, indeed, they have in all the belligerent nations. Because of Canada's geographical extent, however, they have always been a matter of prime importance here. We have evolved a system which is partly managed by the government and partly by private companies, to which has been added during the past year a new species, the Canadian Northern, which is to be owned by the government, but operated as an independent concern. In view of these facts, the possession of the greatest privately-owned railroad in the world, namely, the Canadian Pacific, is an asset of which we as a nation may well be proud. The securities of the Canadian Pacific Railway are among the most international in existence, and are dealt in in all the organized stock markets of the world.

Since the last spike in the Canadian Pacific was driven in 1885 at Craigellachie by Sir Donald A. Smith, its first president, the Canadian Pacific has been our foremost industrial enterprise. It has not only served to meet a large part of our transportation requirements, both on land and sea, but has also been a constructive factor in developing the Canadian west. Naturally, therefore, those at the head of the road have been able to exercise a profound influence upon the course of our economic progress. The men at the head of the Canadian Pacific are known in railroad circles throughout the world.

Extent of the Canadian Pacific.

The presidency of so vast a system as that of the Canadian Pacific Railway is no easy position to fill—the interests are so varied and cover such a diversity of territory. The railway itself has 80,000 employees and more mileage than any of the great systems of the United States, not less than 18,500 miles of track being operated or controlled from Montreal. The Canadan Pacific Railway telegraphs comprise over 100,000 miles of wire, with no less than 15,000 offices where messages may be received. The Canadian Pacific Railway hotels, involving an investment of over $25,000,000, and representing eighteen caravanserais, from the small station hotel to the huge edifices at Quebec, Winnipeg, Calgary, Banff, Lake Louise, Vancouver and Victoria—the Vancouver Hotel, for instance, having no less than 650 rooms—involves great responsibility. Then there are the lands in western Canada, with the $17,000,000 irrigation scheme west of Calgary and the extensive colonization programme of ready-made farms and the like. The mining and smelting interests of the Canadian Pacific Railway in British Columbia are also considerable, involving not only a large investment of capital, but also relations with a labor element which has been somewhat difficult to manage. Then again there are the great Angus shops at Montreal, with other large shops also at Winnipeg and Calgary, where so much of the rolling stock and equipment is built and repaired.

Subsidiary to the railway company itself are the Canadian Pacific ocean services, representing one of the largest passenger fleets of the world, amounting to almost 400,000 tons, and providing one of the most vital links between Europe and the Orient. This system, operating in conjunction with the railroad itself, has proved of immense service to the empire during the struggle which has just ended, and will be equally valuable in the work of reconstruction.

As a common carrier, the railway serves all the large interests of Canada—agricultural, industrial and commercial—and is naturally in close touch with the big financial institutions, several of which are represented on the board of directors. The opinion of the president on financial questions carries enormous weight in England, which naturally takes most interest in such American financial movements as affect the component parts of the British Empire.

Owing to its economic position, the Canadian Pacific is naturally of great interest to the political leaders at Ottawa, and no economic legislation is likely to be brought forward by any government without obtaining at least an expression of opinion from the Canadian Pacific president. In this respect it is known that the leaders at Ottawa have the greatest respect for the capable judgment of Mr. E. W. Beatty, who, in spite of his comparative youth, has proved in many cases his mature and sound economic judgment.

Mr. E. W. Beatty, President, Canadian Pacific Railway Company.

No finer description could be given to the new president of the Canadian Pacific Railway than the tribute paid by Lord Shaughnessy in the official statement regarding his successor: "One who has shown notable administrative ability, and who enjoys to a marked degree the confidence not only of the political and business leaders of Canada, but also of the employees of the Canadian Pacific Railway itself."

Among the many public expressions, that of the Toronto Globe is interesting, and follows: "Railway history has many chapters of personal romance, but it has few parallels to the career of Mr. E. W. Beatty, who, at the age of forty-one, becomes the head of the greatest transportation system in the world. Even on this classic continent of opportunity, his advance has been sensational. Mr. Beatty is the first Canadian-born president of the Canadian Pacific Railway, a sign that Canada has no longer any need of looking beyond her borders for railway talent of the highest class."

Mr. Beatty was born in Thorold, Ont., forty-one years ago of Canadian parents, his father being Henry Beatty, a prominent steamship owner. He graduated from Toronto University, studied law, and entered the Canadian Pacific Railway service in 1901 in the legal department. He was appointed vice-president in 1914 and director in 1916.

workable silver ore by sorting. The vein has been traced over 1,000 feet on the surface.

Development.—The development work consists of a tunnel run into the hill-side 100 feet on the vein and a 50-foot shaft near the portal: Sinking will be continued to 120 feet and at 60 feet a level will be opened up.

Plant.—A 150 horse-power boiler runs the 6 x 8 hoist and the engine which will supply the motive power to the mill. No compressor has yet been installed and all drilling is done by hand.

Mill.—A mill is now being equipped and is expected to be ready for the production of powdered barite early in the spring. The ore, after passing a (6 in. x 10 in.) jaw crusher, is delivered to shaking screens and then to a picking belt making two products.

(1) The pure barite goes to rotary dryer and then to special pulverizers where it is ground to 200 mesh and packed for shipment.

(2) The silver ore is to be concentrated by a process at present being developed. The finished barite will be transported in scows to Connaught Station for shipment.

FUEL CONTROL IN CANADA

Facts About the Problem, and the Remedies—Over Half Supply Comes from United States

A summary of the coal situation in Canada has been prepared by Mr. C. W. Peterson, Deputy Fuel Controller. He appeals to the press and to the public for co-operation in fuel economy. The facts of the fuel situation are as follows:—

Normal coal consumption in Canada for the calendar year 1917 was as follows:—

5,319,688 net tons of anthracite coal
29,497,375 net tons of bituminous coal

Total....34,817,063 net tons

The anthracite coal is practically all utilized for domestic purposes. We have only one mine in Canada producing a near-anthracite coal, and the tonnage from that seldom exceeds 150,000 tons per year. It is apparent, therefore, that Canada depends upon the United States almost entirely for that class of coal.

The bituminous coal is used largely for industrial purposes. Out of the 29,497,375 tons of total consumption Nova Scotia produced 6,324,684 tons, New Brunswick 188,660, Saskatchewan 355,304 tons, Alberta 4,723,139 tons and British Columbia 2,418,920 tons, making a total of 14,010,707 net tons, which leaves us indebted to the United States for the balance (after deducting 1,733,156 tons of coal exported from Canadian coal mines) of 17,219,824 tons of bituminous coal, or a total importation of 22,539,512 tons of the annual coal consumption of 34,817,063 net tons.

Import Coal.

It will thus be seen that Canada's contribution to her coal supply is comparatively small. Also, that the two great industrial Provinces, Ontario and Quebec, depend almost entirely on the United States not alone for their domestic coal but also for industrial coal. It will therefore be obvious, that one of the chief functions of the Fuel Controller is to make such representations to the United States authorities as will ensure a sufficient coal supply to Canada from that source. This necessitates the compilation of detailed figures in regard to the manner in which our imported fuel is utilized and how it has been distributed. Arguments must be presented to show that we in Canada are endeavoring to conserve coal and restrict its use as vigorously as they are in the United States and, obviously, whenever restrictive measures are adopted in that country, we are almost morally bound to put similar restrictions into force in Canada unless the Fuel Controller is able to show that peculiar conditions exist here, which would render any such measures abortive, would inflict undue hardship or would be contrary to public interest.

Coal Regulations.

The office of the Fuel Controller was created during the summer of 1917 when it became apparent that the United States coal supply was beginning to lag behind the demand in that country. Every effort was made to create an organization to render the best possible service during the coal year ending April, 1918, but as the greater part of the importations into Canada are received during the navigation season of each year, it is obvious that little could be done except to study the situation, and gather the completest possible statistics in regard to destination of shipments and local consumption in order to have data available for a more effective and comprehensive organization to grapple with the many problems confronting the Fuel Controller for the following coal year.

The experience thus gained was crystallized into a set of comprehensive regulations dealing with every phase of the coal business in Canada. In November last the first general regulations were approved by Order-in-Council. They appeared in the Canada Gazette, and in addition the Fuel Control Office circulated them broadcast throughout the country. New general regulations were issued again on the 1st of April last, and they likewise had an extensive circulation.

These regulations provide for the appointment of Fuel Administrators by the Provinces, with definite duties. The Province is responsible for the costs of the office of the Administrator. It is also provided, that each municipality may appoint a Fuel Commissioner and is to be responsible for the costs of such office. The Fuel Commissioner is the very cornerstone of the organization and any municipality which fails to appoint such an official takes a very serious responsibility. Provision was also made for regulation of prices. These matters will be more fully referred to later.

System of Administration.

The Fuel Controller had the choice of either invoking the aid of provincial and municipal authorities in enforcing his regulations, or of engaging an army of officials at a tremendous cost, spreading them in a chain from the Atlantic to the Pacific. After careful consideration, Mr. Magrath decided that the obvious policy to adopt was to make use of existing machinery, rather than to create an extravagant organization which, in the end, would not be as effective as the former. Under the circumstances, regulations were formulated throwing upon the Provinces, through a Provincial Fuel Administrator, the duty of taking charge of local organization. Each Province then proceeded to organize the communities within its own boundaries and provision was made for the appointment of local fuel commissioners by the constituted municipal authorities.

The Province has its own public service, which can render the Administration assistance without cost, and in these times it was felt that all would gladly assist. For instance, supposing the Administrator wishes to put in a wood-cutting campaign. As a Provincial appointee, with the Province responsible for his office, the local Government can easily place its Education Department with its network of schools throughout the Province at his disposal. Or the agricultural societies system can be made use of; whereas if the Fuel Controller was called upon to organize Canada, it would cost a vast amount of money, and it is very questionable indeed if it would be nearly as effective as the existing services of the Province. The same argument applies in a lesser degree to the municipalities.

The scheme of administration, therefore, is as follows:—

1. The Fuel Controller for Canada looks after negotiations for the importation of coal from the United States and for the prompt and systematic shipment thereof. He also interests himself in promoting increased production of coal in Canada in the fields within which he has jurisdiction. He obtains from Canadian mines an estimate of their production and receives from the United States Fuel Administrator an allotment of coal from that country. The Fuel Controller then proceeds, after careful consideration, to make up his annual coal "budget" and to allot to each Province in Canada its fair share of all coal available.

2. The Provincial Fuel Administrator then steps in and ascertains the requirements of each community in his Province and makes his allotment within the Province of whatever coal is available upon an equitable basis.

3. The Local Fuel Commissioner is thereupon informed what his allotment will be for the year and he is expected to see that the tonnage available is distributed amongst the people in his community on a fair pro rata basis. All this is done under carefully drafted regulations.

Price Control.

After careful consideration of the whole subject, Mr. Magrath decided that the only effective form of price control that could be adopted in Canada was one based on the restriction of net profits to coal dealers. The prices of coal at the mine in the United States are fixed by the Federal Fuel Administrator there. The price of coal at the pit's mouth in Canadian mines is fixed from time to time. Railway rates in both countries are also determined by the various Commissions charged with this responsibility and boat rates can also be ascertained. The dealers' net profit is fixed

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A NARRATIVE

"It seemed but over-night when we reached the great Hinterland back of Lake Superior, with its innumerable rivers clothed to the edge with a tangle of forest, interspersed here and there by rocky ridges—the bright green of the underbrush and the shadowy white of the birch breaking indiscriminately the dark evergreen of the predominating pines.

"Nearing the head of the Lakes the country becomes more broken and Nipigon Forest Reserve with its world-famed trout streams is soon traversed. At Port Arthur we saw the largest grain elevator on the Continent, and were informed that the immense shipbuilding industries here, and its rapidly increasing trade as the distributing point for the great undeveloped territories lying to the north and west, is rapidly developing a great, metropolitan city. Leaving Port Arthur, the route lies through the picturesque Rainy Lakes district and Quebec National Park, reaching Winnipeg by a fertile and gradually rolling prairie.

"West of Winnipeg the prairie continued with its teeming activities, and innumerable clusters of grain elevators standing silent sentinel will long be remembered as we rolled along over the flat country. A choice of routes is available west of Winnipeg, taking one either through Brandon, Regina and Saskatoon, the southern route; through the Central Districts; or by Northern Manitoba and Saskatchewan to Calgary and Edmonton. We chose the second because of its through train service. At Calgary and at Edmonton our short stay was well spent in studying the great commercial and agricultural opportunities of this Last Great West with its infinite possibilities as the outpost of a mighty nation. Here, work, enterprise and prosperity go hand in hand.

"From Edmonton west the prairie is soon replaced by the haze-clothed mountains in the distance, and following the banks of the Athabaska River the Canadian Northern passes through Jasper National Park, a second Yellowstone, to Yellowhead Pass—the Great Divide. Yellowhead, as tradition has it, is named after a mighty Iroquois-Scotch trapper known as Tete Jaune, or Yellowhead, who hid or cached his furs at this spot and stood a tower of strength and a goodly beacon to the luckless wayfarer in the tempestuous days of old.

"The scenery at this point is grand—a rocky gorge covered with dark pines and light green shrub above surmount the seething currents of the Fraser, while towering on either side and lost in the clouds are the snow-capped peaks of the giant Mount Robson, the highest known in Canada. Such is the surrounding chosen by a grateful country in its selection of a fitting tribute to the memory of the famous British nurse martyred by Germans in Belgium, October, 1915—'Mount Edith Cavell.'

"Journeying south from the Yellowhead we followed the Canoe and Albreda rivers, which are in turn succeeded by the North and Main Thompson rivers, reaching at Lytton the lower waters of the main Fraser. From here west we crossed and re-crossed, hugging its mighty and picturesque banks through to Vancouver.

"Nowhere in this mountainous and river-valley route of over 700 miles from the gateway to the Rockies clear through to the Pacific did it grow monotonous or time hang heavily, so insistent were the attractions which flashed past the windows of the comfortable Observation Car."

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CANADIAN NORTHERN RY.

under our regulations. This, in the retail trade, leaves only the overhead and delivery expenses as the uncertain element.

Overhead Expenses.

Detailed regulations have now been passed under which coal dealers are directed as to the overhead expenses that will be considered legitimate. Salaries to principals are to be calculated on a pre-war basis with such reasonable additions as are justifiable and minute directions are given in other respects. Coal dealers are compelled to render monthly statements of their transactions and prices at which their coal is sold, so that the Fuel Controller's organization has at all times information available with which to check up complaints lodged in regard to alleged profiteering. It is only fair to state, that the Fuel Controller has found the coal trade generally in the hands of responsible men who have been conducting business on the basis of very reasonable net profits.

Fixed Gross Margins.

In July the Fuel Controller got authority by Order-in-Council to put into force whenever he thought necessary the United States plan of gross margins, that is, to fix the amount the dealer is permitted to add to the cost of his coal, so as to determine the delivered price to the consumer. Quite recently the United States Fuel Administration has gone a step further and has given authority to the State Fuel Administrators to fix prices, with the right of the dealers to appeal to the Administration at Washington. However, Mr. Magrath does not contemplate taking that step in Canada at present.

When the question of price control was first raised in 1917, the Minister of Labor stated that he was conducting a Cost of Living Investigation and that his Department was obtaining statistics from dealers as to coal, its cost and selling price. It was decided that in the conduct of that work if his Department ran across any cases of excess charges, the Fuel Controller's office would be notified. When, however, Mr. O'Connor gave up that work last spring this office joined in developing a form calling for information from both dealers and operators which, with the system recently established, enables the staff to keep a very close watch on the activities of those in the coal trade. It is, however, very difficult to hurriedly perfect any system in abnormal times.

The Provincial Fuel Administrators are always ready to authorize action by municipal authorities against any particular dealer, where reasonable grounds are advanced showing profiteering, and in this work the assistance of leading men in each community is invited. It is essential in these abnormal times, however, that the local Fuel Commissioner should look after such matters.

Local Coal Distribution.

Severe criticism of the Fuel Controller frequently finds its way into the press of Canada in regard to the distribution of coal within certain communities. Mr. Magrath desires to make it clear, that wide powers are in the hands of the local fuel commissioners, who are absolutely charged with this matter.

It must be clear to the average intelligence that it is quite out of the question to keep a watch on all communities from Victoria, B.C., to Sydney, Cape Breton, from Ottawa. The Fuel Controller cannot find trained men to throw into such work. A service could be developed ultimately, but it takes time and what must be remembered is, that we are passing through a great crisis. We are confronted day by day with new issues, and it seems impossible to get time to work out any general plan that will meet changing conditions. The Fuel Controller's chief function is to see that the people are kept warm and to keep industries supplied with coal.

The charge has been made that in transferring this responsibility to these communities, the Fuel Controller has, popularly speaking, "passed the buck." This is an absolutely unfair criticism. The system adopted is based on the experience of last year and on the experience in the United States and has not been inaugurated in order to evade responsibility, but, purely and simply, to promote efficiency.

Stocking of Coal.

The public was urged by the Fuel Controller to lay in coal early in the season. It has been stated that this will result in those having the money and storage space available being well protected while the poorer people may have to go without. This is an entirely erroneous view. It is fully realized, that there is a large element of the population in every community unable to lay in advance supplies and the very object of appealing to those who can do so, is precisely in order to give better service during the winter season to the smaller users in less affluent circumstances. Canada's coal shipments are allotted on a monthly basis and supplies have come forward quite up to expectations. It is obvious, that if this coal can be largely absorbed by those who can afford to lay out the money, the smaller consumer can be better protected afterwards out of current shipments.

The anthracite coal allotment for Canada for the current year is approximately 77 per cent. of what we received last year. The bituminous allotment for industrial purposes has also been somewhat decreased. The position in a nutshell is this, that if we have as severe a winter as we had last year, our anthracite supply will be decidedly short. If the winter is a normal one, with a little care we should be able to pull through without any undue hardship. It should also be made clear, that the United States authorities have allotted a sufficient tonnage of lump bituminous coal to Canada for purely domestic purposes, to replace the shortage in anthracite. Every householder should, therefore, be urged to take in 25 per cent. of his normal coal requirements in bituminous coal.

TWIN CITY GRAIN DEALING

Regulations of Fort William and Port Arthur Grain Exchange —Option Trading and Warehouse Receipts

A new code of regulations governing option trading on the Port Arthur and Fort William Grain Exchange was approved by the council of the exchange on October 31st, 1918. The rules are:—

1. All option trades must be done in the trading room of the grain exchange between the hours of 10.30 a.m. to 2.15 p.m. on week days, with the exception of Saturdays when the hours will be from 10.30 a.m. to 1 p.m.

2. Only members in good standing can participate in the trading.

3. Firms and corporations, members of the exchange, will have the privilege of naming representatives to attend to their business on the floor.

4. Brokers must charge the rates of commission as outlined in by-law 24 of the by-laws, rules and regulations of the Fort William and Port Arthur Grain Exchange.

5. It shall be the duty of each member or firm making a transaction of future delivery of grain, under the rules of the association, to report such transaction by sending to the secretary's office a memorandum of the same by 3 p.m. on the day on which it is made, and on Saturdays on or before 1.15 p.m. Such memorandum shall be in writing, and shall state on its face the date of the transaction, the quantity and kind of property covered by same, the month of delivery, price and the name of the party to whom sold, and from whom bought.

Each member or firm shall also figure all trades of the day to the closing market as posted on the blackboard, except that when the price so posted shall be a "split," the lower half of the split shall be the price to which all transactions shall be cleared, and shall hand in to the secretary's office not later than 3 p.m., and on Saturdays 1.15 p.m., a memorandum showing the amount due him from, or from him to, the secretary's office. When such memorandum shows a balance due, it shall be accompanied by a cheque for the amount payable to the Fort William and Port Arthur Grain Exchange. When a balance is due a member or firm from the secretary's office, he or they shall attach to the memorandum a cheque for the amount payable to his or their order, which will be signed by the secretary at or before 3.30 p.m., and on Saturdays at or before 1.30 p.m.

6. In case the memorandum of trades is not promptly handed in within the time specified, the defaulting member or firm shall be fined one dollar for each offence, and if the offence becomes frequent shall be debarred from all privileges.

7. Any member making an error in his daily statement to the secretary shall be fined 25 cents for each error made. All balances due through errors in figuring the daily memorandum of trades, shall be paid before 12 noon on the first business day following that on which the error was made; and in case the balance is not handed in within the time specified, the defaulting member or firm shall be fined $1 for each offence.

8. A fee of two cents for every one thousand bushels, or any part thereof, and minimum of ten cents, shall be payable by every member clearing any transaction through the secretary's office, and every member shall pay all fines

The Consumers' Gas Co.

OF TORONTO

The Consumers' Gas Company has a perpetual charter for the manufacture and sale of gas in the City of Toronto, Townships of York, Etobicoke, Vaughan, Markham and Scarboro.

The dividend is limited by statute to 10% on the paid-up Capital. After this dividend has been earned, and provision made for repairs and renewals, the Company must reduce the price of gas. The prices have gradually and voluntarily been reduced, during the seventy years of the Company's history, from five dollars per thousand cubic feet to ninety cents. Moreover, the Company has acquired one of the finest and most up-to-date plants obtainable.

The output of gas for the year ended September 30, 1918, was over 4,720,000 thousand cubic feet, being approximately equal to the combined output of all the other gas companies in Canada. In addition, nearly $400,000 worth of merchandise was sold, and over $850,000 worth of residual products.

The present capital of the Company is $5,360,700. There is a reserve fund of $3,246,733.36, and a plant renewal fund of $1,766,986.85. Assets total $11,744,397.35. Profits for the past fiscal year were $776,665.22, after providing for all expenses of management and operation.

The reserve and plant renewal funds together equal 94% of the Company's capital, which funds are invested principally in the Company's business, with no interest charges against them. This means that the Company need earn only about 5% on the money invested in order to meet its dividend requirement of 10% on the capital stock. The Company has steadily maintained its 10% dividend for forty-four years.

The Directors are Messrs. A. W. Austin, President; Wellington Francis, K.C., Vice-President; A. H. Campbell; F. Le M. Grasett, M.D.; John Hoskin, K.C., LL.D., D.C.L.; Herbert Langlois; Thomas Long; Lieut.-Col. J. F. Michie; Sir Edmund Osler. The General Manager is Mr. Arthur Hewitt; the Secretary Mr. John J. Armstrong.

Table Showing Increase of Company's Business

Year	Gas Output M. cu. feet	Increase per cent.	No. of Meters in use	Population	Increase per cent.	Cons. per Capita, cu. feet	Pop. per Meter	Miles of Main	Price of Gas
1868	38,596	.....	1,254	50,000	.....	478	40	42	$3.00
1878	124,118	221.58	3,285	70,867	41.73	1,227	22	85	2.00
1888	414,672	234.10	10,020	126,169	78.04	2,368	13	163	1.10
1898	707,211	70.55	24,257	190,000	50.59	3,303	8	242	.90
1908	2,006,804	183.76	53,368	320,000	68.42	5,900	6	361	.75
1918	4,720,502	135.22	113,022	520,000	62.5	8,624	4.6	586	.85

and fees provided to be paid under these rules, within 15 days from the date of delivery of account for the same, from the secretary under a penalty of a fine of $1.

9. The secretary may call from purchasers below the market and from sellers above the market such reasonable margins as in his judgment may be necessary for the protection of the exchange, such margins to be placed to the credit of the party paying the same and to be retained by the secretary, in whole or in part, as he may deem necessary, until the trades for which such margins have been paid have been settled. Such margin calls shall be served on the party called, either in person or by leaving a written notice at his place of business, or may be served in person upon his authorized representative, or upon any clerk representing the party on 'Change; and in case the party called upon shall not be known to have a regular place of business, a written notice posted on the bulletin board in the trading room of the exchange shall be deemed sufficient.

10. For the purpose of calling margins when considered necessary or when required by the rules, the secretary shall present to the party from whom margin is asked a printed slip which states upon its face that the amount called for must be paid into the office of the secretary within 10 minutes of the time when called, under a penalty of a fine of $1. The time when called, together with the amount called for, shall be noted upon the margin slip by the secretary, and the margin when handed into the office of the secretary must be accompanied by the margin call slip.

11. In all cases where default has been made in the payment of margins or balances on the part of any purchaser, as hereinbefore provided, the secretary, or his representative for that purpose, shall have the right to sell the property of such purchaser held by him in the quantity (in the aggregate) and for the time of delivery specified in the contract or contracts of purchase reported to (and accepted by) the secretary by the party so in default.

12. In all cases where default has been made in payment of margins or balances on the part of any seller, as hereinbefore provided, the secretary or his representative for that purpose shall have the right to buy property to fill the contract of such seller, held by him in the quantity (in the aggregate) and for the time of delivery specified in the contract or contracts of sales, reported to (and accepted by) the secretary by the parties so in default.

13. The authority of the secretary to buy or sell under this by-law may be exercised by him before margins called and paid have been entirely exhausted by market changes, as well as after.

14. In either case all differences between the contract price so reported and accepted, and the price at which the property may have been bought or sold, as the case may be, in consequence of such default, and including brokerage and other incidental charges, shall constitute the measure of damages against the party in default, and such differences shall be arrived at and the account of the party in default with the association shall be adjusted within such time, and in such manner and form, as may be deemed advisable by the secretary.

15. Immediately upon the adjustment as aforesaid by the secretary of the account of any defaulting member, such member shall forthwith pay to the secretary whatever moneys are shown by the books and accounts of the secretary to be still owing by such member.

16. The secretary shall during the session call margins to the market on all members when the market goes against them two cents per bushel, and may call them for a less amount at his discretion.

17. The following is the basis of settlement of contracts:—

Barley—The contract grade will be 3 C.W. with the privilege of delivering on contracts. (a) Higher grade barley; (b) 4 C.W. barley at a discount of 5 cents per bushel; (c) rejected and feed barley at a discount of 15 cents per bushel.

Oats.—The contract grade will be 2 C.W. oats with the privilege of delivering on contracts. (a) Higher grade oats; (b) 3 C.W. oats at a discount of 3 cents per bushel; (c) extra 1 feed at a discount of 3 cents per bushel; (d)1 feed at a discount of 5 cents per bushel; (e) 2 feed at a discount of 8 cents per bushel; (f) rejected at a discount of 10 cents per bushel.

Flax.—The contract grade will be 1 N.W. flax with the privilege of delivering 2 C.W. flax at 3 cents per bushel under.

Rye.—The contract grade will be 2 N.W. rye, with the privilege of delivering on contracts. (a) Higher grade rye; (b) rejected rye with a discount of 12 cents per bushel under.

18. The acceptance of a speculative account by any member from an employee of another member without the knowledge of said member shall be deemed to be uncommercial conduct.

19. Deliveries on options shall be on the basis "in store" private or public terminal elevators.

Warehouse Receipts.

Certain requirements were also laid down on the same date regarding the issue of terminal warehouse receipts. These are:—

Private terminal warehousemen, members of the Fort William and Port Arthur Grain Exchange, may issue warehouse receipts and have them registered by the secretary of the exchange on the following terms and conditions:—

1. Warehouse receipts may be given for carload lots or cargoes. Such receipts shall state: (a) The date of the grain in store and also the quantity and grade thereof; (b) that the grain is deliverable upon the return of the receipt properly endorsed by the person in whose name it was issued and upon paying the proper charges due the warehouseman.

2. Every warehouse receipt before being delivered to the party mentioned to receive same shall be tendered by the warehouseman to the secretary and shall be accompanied by a list in duplicate setting forth the number of each receipt, and the date thereof, the kind and grade of the grain, the net weight also the name of the elevator issuing such receipt

3. No grain can be shipped from any private terminal elevator by the warehouseman and no grain shall be delivered by the warehouseman to the shipper unless the covering warehouse receipt shall first be surrendered by the shipper to the warehouseman therof.

4. When any grain is delivered or shipped from any private terminal elevator, the warehouseman thereof shall tender to the secretary for "Registration for Cancellation" warehouse receipts covering the same both as to quantity and grade. All such receipts tendered to the secretary as aforesaid, shall be accompanied by a list in duplicate giving the number of the receipt, date shipped, amount, kind of grain represented by such receipt. Such receipts shall be surrendered to the secretary for cancellation as soon as possible after such grain has been delivered from the elevator in no case exceeding three days after grain has been loaded.

5. Only the forms prescribed by the secretary for registration purposes shall be used by the private terminal elevators in their reports.

6. Every private terminal elevator operator or warehouseman shall furnish the secretary in duplicate, a sample copy of the warehouse receipt which he proposes to issue. The said sample shall contain the signature of each officer of such elevator who is authorized to sign and countersign such receipts.

7. Each private terminal elevator shall pay to the secretary a registration fee of 5 cents per thousand bushels for inwards registration and 5 cents per thousand bushels for cancellation. At the end of each month the secretary shall render each private terminal elevator an account of such fees, and such account shall forthwith become due and payable, cheques being made out to the order of the "Fort William and Port Arthur Grain Exchange."

8. Private elevators issuing warehouse receipts must file with the secretary on the 15th and at the end of each month, a statement of the quantity of grain in store at that date, the amount of insurance and in what companies the insurance is carried.

ENLISTMENTS IN CANADA

The following record of the enlistment in each province up to May 31, 1918, is valuable as indicating the proportion of men who will have to be replaced in industrial life by each:—

Alberta	42,538
British Columbia and Yukon	49,628
Manitoba	63,408
New Brunswick	22,622
Nova Scotia and Prince Edward Island	28,516
Ontario	231,274
Quebec	62,761
Saskatchewan	32,521
Total	533,268

VANCOUVER

BRITISH COLUMBIA

FOURTH CITY OF CANADA—TRADE GATEWAY TO THE ORIENT

A city which offers wonderful possibilities
well worth the fullest investigation for

IMPORT AND EXPORT TRADE—INDUSTRIAL PLANTS DISTRIBUTION CENTRE

DIRECT connections with Japan, China, Siberia, Australia, New Zealand and all Pacific ports. Strategically located for shipments to Atlantic ports via the Panama Canal. Terminal of all Canadian and leading U.S. transcontinental railways.

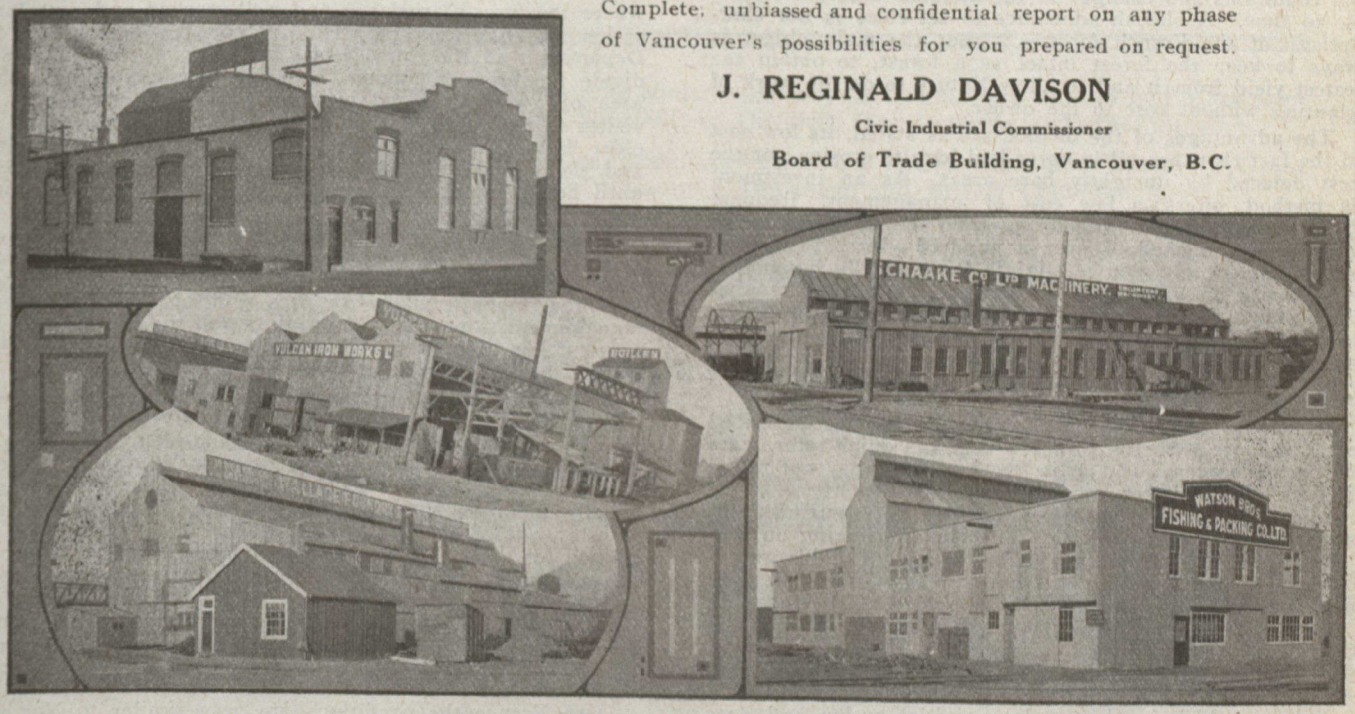
One of the best natural harbors in the world. Open all the year round. Controlled by a Dominion Harbor Commission, which is developing port and harbor facilities to a high standard.

WONDERFUL possibilities for industrial plants. Ample supply of raw materials from local sources or convenient water-borne import. Abundant and unfailing fuel supply from nearby points. Location especially advantageous for manufacture for export.

Industrial sites available on long lease, at low rental, on Industrial Island, right at heart of city, controlled by Government Board.

Complete, unbiassed and confidential report on any phase of Vancouver's possibilities for you prepared on request.

J. REGINALD DAVISON
Civic Industrial Commissioner
Board of Trade Building, Vancouver, B.C.



A few of the Industrial Plants on Industrial Island. Practically all of these have been erected during 1918.

FRENCH FORESTRY METHODS

A Comparison between Forests in France and in Canada —French Methods More Applicable Here than Those of Germany

BY R. C. LEWIS.

Until the first Canadian Forestry Company began operations in French forests in the early part of 1917, few Canadian lumbermen had anything more than a vague idea of what could be accomplished by scientific forestry methods. They were inclined to consider forestry as an expensive fad, and its benefits as purely theoretical.

Before the war, forestry, as taught and practised in America, was, to a great extent, German forestry. Without going into technical details, the chief difference between French and German methods lies in the means of reproducing a stock of timber after exploitation. Still speaking generally, it can be explained that the German method is to clear the areas under exploitation and afterwards to replant them with nursery stock, thus insuring a regular even-aged reproduction on each area. This method involves considerable expense in labor and planting material but the young stock establishes itself quickly and easily. The treatment of each area can be laid down definitely according to set rules, as it is all of one age and often planted in regular rows with regular intervals between trees. When the exploitation is finally made the cost is comparatively low. The entire stand can be removed from each area at one time. From a financial standpoint the characteristics of this method are a high initial investment, high final return, but small intermediate returns. These intermediate returns consist of thinnings of small-sized material only, the final harvest being obtained only after a long period of a hundred years or more on each individual area. The actual profit on money invested is slightly higher than in the case of the French methods most commonly employed.

Some French forests are managed on the same principles, but in the majority of cases the reproduction is brought about by natural means. The forests are divided up into small cutting areas in both cases, but under natural reproduction the areas are never entirely cleared. The trees left standing are selected always with the idea in view of assisting the natural reproduction by seeding and protecting the young growth already established. Many different methods and varieties of methods are employed, depending on different local conditions and changes in the methods take place from time to time. A slavish adherence to set rules is not characteristic of the French forester. But the main object is always to keep the forest intact as a forest, to obtain the greatest yield from it and to allow Nature to do the work of replanting without cost to the owner.

The advantages of the method are as stated, its low cost and the fact that the soil is never laid bare to erosion nor the forest defaced by unsightly bare areas. As an investment this method offers a low cost of management, frequent regular returns at periods varying from ten to twenty years for each area instead of over a hundred years. The total profit on money invested is slightly lower chiefly because of the high cost of exploitation. A comparatively small number of trees must be removed from a large area and the operations cannot be concentrated on a small area, as in the clear cutting systems.

Possibilities in Canada.

From our standpoint as Canadians this last-described method is more attractive. Its low cost and quick returns are a distinct advantage, and while these returns may not represent such a high interest on money invested they appeal to the Canadian investor who usually wants to get something for his money as soon as possible. The idea of clearing an area of timber and then replanting it for the benefit of his grandchildren, no matter how great that benefit may be, does not appeal to the average Canadian limit holder. The reasoning is not sound, of course, as the forest, once established, by either method will give regular annual returns, the differences being only on the individual areas. The fact remains that the private corporation or individual owner will not consider any scheme which involves a large initial outlay and does not promise returns on the money invested before a long term of years. He should, however, consider curtailing his present returns if their permanence could be assured.

One great disadvantage to any expensive forestry system in Canada is the fact that the timber is not easily accessible to the markets. In France and in Western Europe generally the timber is used locally to a great extent. A local market also exists for minor products, such as firewood and small timber secured from thinnings before the stand proper comes to maturity. There is at present in Canada only a very limited market for such material in the immediate vicinity of the forest. The greater part of our timber is located at such a distance from settlement that the cost of transporting such material is prohibitive. In France the forests are scattered through the farming, grazing and vine growing districts and markets for all classes of material exist so close at hand that practically nothing is wasted down to small branches which are bundled into fagots and disposed of at a profit as firewood. Exploitation is simplified by the fact that the operators, as a rule, are men living in or around the forests, good roads exist in all well-managed forests, and the operators own their own outfits for cutting and removing timber. This condition of affairs only comes after years of development. It is a result of the natural division of land into crop raising, grazing and forest soils, each used to the best advantage for the purpose to which it is best adapted.

Many areas of land in Canada have in the past been cleared of timber and cultivated as farm land when they were totally unsuited for this purpose. This is clearly demonstrated in many parts of the East where abandoned farms are found on land which once supported valuable stands of timber. The reforesting of this land requires artificial methods of some sort, but once replanted and properly managed it is capable of producing timber for the benefit of the more fertile surrounding country.

Some French Forests Owned in Common.

A large proportion of the forests of France are communal in nature, belonging to the municipalities or communes in or near which they are situated. They are managed, as a rule, under the direction of the state forest service, and some of them are extremely profitable to their owners. The inhabitants of the commune usually obtain their supply of firewood from their own forest, and also whatever timber they may need for building construction, fencing, etc., the remainder of the timber being disposed of and the funds applied to local improvements and the administration of the commune. Almost every town and village in France has its own communal forests, and in many cases the inhabitants of the village obtain the firewood and timber referred to above free of charge, in many cases they have no local taxes to pay, and in some cases each member of the commune receives an actual cash revenue from the forest funds. In the Vosges where the forests are large and well stocked and give large yields this condition of affairs is not at all rare. In the Department of the Jura it was at one time the custom to divide the firewood among the inhabitants according to the area of ground covered by the individual's dwelling. A visitor to the region is apt to be somewhat surprised at the older farmhouses which shelter the family, the farm stock and the stored crops all under one low, wide-spread roof until he understands the motives which may have inspired the architect.

The inhabitants of these communities naturally take a personal interest in their communal forests and take good care that they are well protected from fire and other damage. The government usually exercises sufficient control over the management to prevent a consumption of the capital stock by over-cutting. The forest then becomes a constant source of wealth for the people and their descendants.

The greater part of the French forests are thus under private ownership, although the state forests are also very extensive. A common error in Canada is to suppose that scientific forestry is purely a government affair. Forests owned by individuals or corporations in France are managed usually under the same conditions as the communal and state forests usually at least under the general supervision of trained foresters, but the revenues derived from them go to the individual and the actual ownership passes to his descendants with his other property.

Just how much of this French method of treating timber lands is applicable to Canadian conditions is difficult to say. There is no doubt, however, that as far as climate and topography are concerned; in the mountain districts of central eastern France the conditions are very similar to Northern Quebec and Ontario. The French spruce, fir and pine in this region is very similar to the timber in our own country, but of course, much better developed on the average.

More soldiers enlisted from Edmonton and the Edmonton district in proportion to population than from any other part of Canada.

More soldiers have announced their intention of returning to settle in Alberta than in any other Western Province. The official figures being:

Canadian soldiers wishing to farm in	Alberta	23,072
" " " "	British Columbia	15,135
" " " "	Saskatchewan	15,108
" " " "	Manitoba	11,708

Edmonton and its District Offer Unequal Opportunities for the Absorption of Returned Men and New Comers in

INDUSTRIAL DEVELOPMENT IN THE CITY

Farming, Grain Growing, Cattle Raising, Coal Mining, Lumbering, General Construction

EDMONTON

CAPITAL CITY OF ALBERTA

Centre of the most fertile tract of mixed farming lands. Gateway to Peace River country and MacKenzie Basin, with vast grazing and agricultural areas, Natural Gas, Oil, Salt, Tar Deposits, and other minerals.

EDMONTON has ample transportation facilities:—Canadian Pacific, Canadian Northern, Grand Trunk Pacific, Alberta and Great Waterways, and Edmonton, Dunvegan and British Columbia Railways.

Excellent sites for manufacturing or warehousing on these railways.

EDMONTON'S Civic owned utilities offer special inducements to large users and yet operate at a profit.

Nine months, 1st Jan. to 30th Sept., 1918.

Gross earnings all Utilities	$1,267,706.00
Operation, maintenance, depreciation, and Capital charges	1,250,747.57
NET SURPLUS	$16,958.43

For Edmonton, Peace means the minimum of readjustment. No war industries to lose. All expansion and progress.

French Forests High in Quality.

The forests of France are a never-ending source of wonder to the Canadians in the Forestry Corps, and the Americans in the Engineer companies which are working in France. The size and beauty of the trees; their tall, straight, almost cylindrical trunks, free from branches for the greater part of their height; the enormous yields per acre and the freedom of the timber from defect are all qualities possessed by American timber to a certain extent and in certain localities, but to find them present to such a remarkable extent in the great majority of French forests is somewhat of a blow to our pride in our own forests. Apart from the excellence of the individual stands the total area of timber land, specially in the mountain regions, is much greater than the average Canadian had been inclined to believe. Many of us have pictured the entire area of western Europe as cleared farm land.

The value of the possession of these areas of merchantable timber easily accessible to transportation has been demonstrated in the present war. France is now providing a great part of the timber used in military operations, and so necessary in this particular type of warfare, not only for herself but for the armies of the British and Americans, and to a certain extent those of Italy, when imports of lumber from Russia and America are difficult or impossible to obtain.

Now that a number of well-known and influential lumbermen of Canada have actually worked in these magnificent forests with the Forestry Corps their attitude toward forestry in general has undergone a radical change. Whether this change will result in the adoption, in part at least, of French methods remains to be seen, but the change of attitude is a distinct step in the desired direction.

DEVELOPMENT OF VICTORIA

How Pacific Port Has Grown Through Natural Advantages Backed Up by Resources of Island

By F. Elworthy.

The natural advantages of the harbor, now known as Victoria, were discovered by the first old world mariners to visit the Pacific coast of North America. Subsequently the Hudson's Bay Company established here their principal Pacific coast trading station. But growth towards city proportions was made at the time of the rush into Cariboo in search of placer gold, when tens of thousands of miners and their followers passed through Victoria.

In those days the vessels which called here were small, and they mostly found accommodation in Victoria inner harbor. Some, however, used Esquimalt harbor, three miles distant, where there is a greater depth of water. The latter being inconvenient, in point of distance from the commercial centre, wharves were built, by private enterprise, at the entrance of Victoria harbor, and they have been extended, and the water alongside deepened, to meet the increasing tonnage and size of vessels.

It is from these beginnings that the number and tonnage of sea-going vessels entered at and cleared from Victoria have grown until in some recent years, they have exceeded those of any other port in Canada. This is largely due to situation on the Strait of Juan de Fuca, and being on the direct route of all vessels destined to or from southern British Columbia or Puget Sound ports.

Canadian Government Docks.

The possibility of further development, upon the opening of the Panama Canal, appealed to the government of Canada, and in 1912 a plan for an extension of the outer harbor was prepared and approved. This plan is progressive and consists of a breakwater, enclosing an area sufficiently large for the construction of a number of piers, estimated to meet requirements for some years. The breakwater and the two initial piers are completed and have cost $4,640,000.

The maximum and minimum lengths of these piers is 1,000 feet and 800 feet respectively, width 250 feet throughout. The water alongside is 35 feet at low tide. The approach from the sea is much deeper water, and there are no obstacles to navigation. An efficient pilotage service is maintained, but the masters of some vessels which call at this port regularly do not accept the service. The freedom of fog sufficient to interfere with navigation at the port of Victoria is phenomenal.

On one of the piers a shed has been constructed, 700 feet by 200 feet, said to be the largest on the Pacific coast. This shed is complete in every respect for handling freight, electric cranes, etc., and railway trackage connecting with a car barge ferry slip. The other pier is being similarly equipped on a progressive plan, 200 feet of the shed being under construction.

Business of the Port.

Much of the business of the port is in transhipping freights, and this is done at Victoria safely and expeditiously. Railway cars can be loaded or unloaded alongside the vessel and transferred by car ferry to any mainland rail head.

The Hon. J. D. Reid, Minister of Railways for Canada, and Mr. D. B. Hanna, chairman of the executive of the Canadian Northern Railway Company, recently inspected these docks and were favorably impressed with the possibility of utilizing them in connection with that railway which also is now a national undertaking. With development along these and similar lines the future of the port of Victoria is most certain.

Natural Resources.

Development may also be looked for from another direction, namely, the natural resources of the island. Possibly the world could be searched in vain for a similar area containing such collective wealth as exists in timber, iron and other minerals and coal, agricultural and fruit growing possibilities and tributary fisheries.

The aggregate yield from these sources has already run into tens of millions of dollars, and the shrinkage of supply as yet is practically not appreciable. Much of this business passes through Victoria, which is the natural channel for it. With the improved port facilities now provided the volume in future will be even greater.

Shipbuilding.

Steel shipbuilding was established at Victoria prior to the war, but only on a limited scale. In 1916, wooden shipbuilding, in connection with the war, was started, and fifteen vessels are either in service or in the last stage of construction. Contracts for twenty-nine additional wooden ships are now in hand. The cost of material and labor correspond with other shipyards on this coast, and the contractors claim an advantage here in the favorable weather conditions which permit continuous work throughout the year. A local firm has recently been awarded a contract by the Canadian government for four 8,100-ton steel ships.

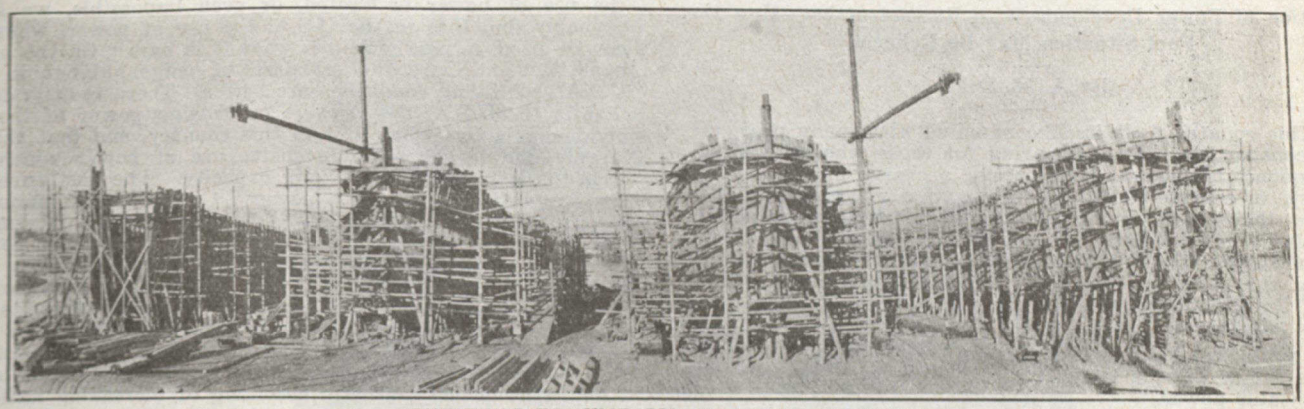
Health Resort.

Victoria is frequently spoken of as a health and tourist resort, and it certainly has many attractions in that line. It is a city where residents take the most out of life. The humblest cottages are surrounded with sufficeint ground for growing vegetables in the rear, while in front flowers add cheerfulness to the surroundings. In the suburbs the homes are very attractive, both in design and environment. Some set among rocks and scrub oak trees command unsurpassed views of the sea, hills and distant snow-capped mountains. Others are framed in large evergreen lawns, varied with ornamental trees and a profusion of flower and shrub colorings. The trees and roads are paved, and in these suburbs many of the highways are curved and winding, and at the turns entirely different vistas are presented, each having a charm of its own. The bright sun and atmosphere makes one feel that life is worth living, and that a haven for rest has been found, with the result that many of the residents are retired citizens of other communities.

During the past four years Victoria has given of its best in men and money in winning the war. Memories of what has been found, with the result that many of the residents fulness.

Reconstruction.

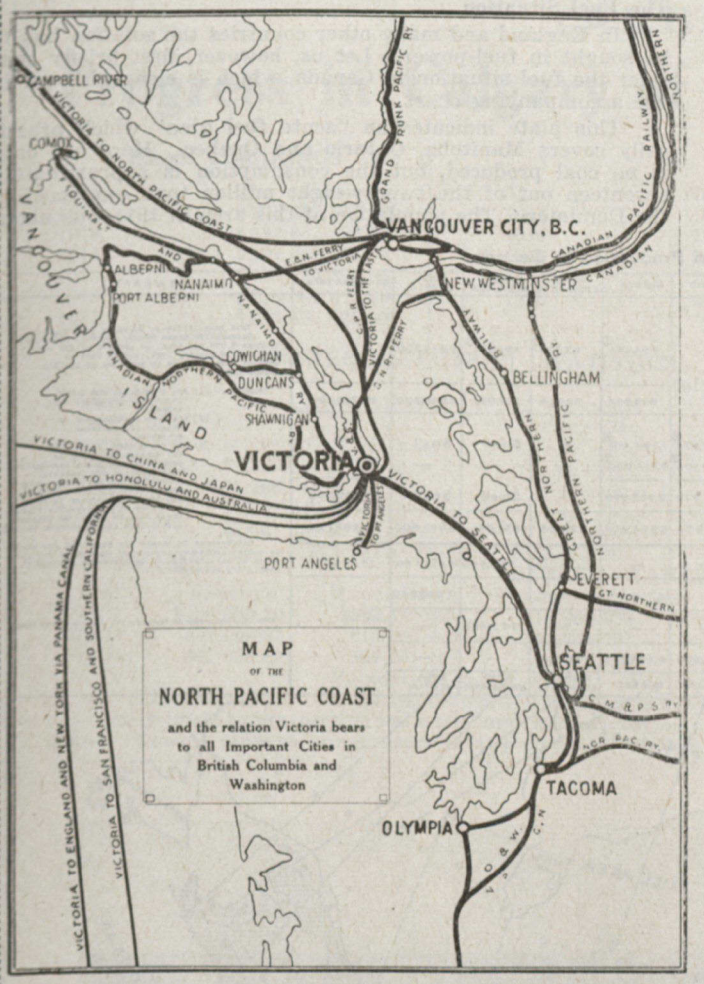
A period of reconstruction has now commenced. Quietly and without ostentation the ground has been prepared. The citizens themselves as yet hardly realize how much has been done towards placing Victoria "on the map." The port facilities are reaching efficiency equal to any other on the Pacific coast, and the port charges are less than elsewhere. Transportation by rail and water is being further improved and extended. The island's natural resources will be in demand for years in reconstruction works. Our men will soon return in large numbers. The success which has attended wooden shipbuilding should stimulate endeavors for the establishment of other industries. By continuing during reconstruction the hearty co-operation and united efforts of the citizens of the past four years, Victoria's harvest will be exceedingly rich.



SHIPBUILDING, VICTORIA, BRITISH COLUMBIA

PORT OF VICTORIA

BRITISH COLUMBIA



SHIPPING, year ending 31st March, 1918.	VESSELS	TONNAGE
Coasting Trade, entered and cleared . . .	7,454	4,223,399
Ocean Trade, entered and cleared	3,049	3,903,285
Total	10,503	8,126,684

ADVANTAGES OF THE PORT

Ease of entry, deep water, and no obstacles to navigation.
Absence of fog sufficient to impede entry or departure of vessels.
Pilotage and Port Charges lower than at any other port on Pacific Coast.

CANADIAN GOVERNMENT DOCKS

$5,000,000, expended to date. New Freight Shed, 200 feet by 700 feet.
Most modern equipment, electric cranes and railway connection.

SHIPBUILDING

Fifteen Wooden Ships completed.
Contracts for twenty-nine Wooden Ships in hand.
Canadian Government Contract for four 8,100 ton steel ships secured.

OTHER INDUSTRIES

Openings for other industries of any size.

INNER HARBOR, VICTORIA, B. C.

FOR FURTHER INFORMATION APPLY TO

INDUSTRIAL COMMISSIONER

VICTORIA, BRITISH COLUMBIA

WATER POWERS OF CANADA

Relation of Power Development to Reconstruction—How the Fuel Situation May Be Relieved

By A. M. Beale

This country finds itself confronted with many problems of reconstruction. Besides caring for those who as a direct consequence of the war have become a charge upon the community, a charge which the community must loyally discharge, there is the problem of finding profitable occupation for discharged soldiers, of re-absorbing those engaged in war-industries who are now seeking re-employment, and of finding the money to meet the financial obligations arising out of the great struggle.

It probably is not generally realized how great a part in the problem hinges on the question of "mechanical power," and as far as Canada is concerned this means in a large degree "water power."

Reconstruction in Great Britain.

All the allied countries have devoted much attention to the question of reconstruction. Great Britain has a ministry of reconstruction which has, for several years now, been engaged on this great question and has enlisted the services of many of the best brains in the kingdom on this behalf.

Among the committees engaged on the various phases is one on coal conservation, which through sub-committees has thoroughly studied the questions of electricity supply and distribution, as well as many other problems bound up in the supply and uses of coal.

It has been recognized fully that the old order is changing and must give place to the new, which shall accord the worker a larger proportional reward for his service, that is to say, higher wages and better conditions of living. If these are secured along sound economic lines the result will be prosperity, but if their foundation is artificial or unsound, chaos will speedily arrive. This is no less true in Canada than in Britain.

The following extracts from a report on electric power supply in Great Britain are illuminating: "The only way to increase prosperity is to increase the net output per head of the workers employed." "In the United States the amount of power used per worker is fifty-six per cent. more than in the United Kingdom—if we eliminate workers in trades where the use of power is limited, or even impossible, we shall probably find that in the U.S.A. the use of power, where it can be used, is nearly double what it is here. On the other hand, not only are the standard of wages higher in the U.S.A., but living conditions are better. There is little doubt that in the U.S.A. the average purchasing power of the individual is above what it is in this country, and that this is largely due to the more extensive use of power which increases the individual's earning capacity. The best cure for low wages is more motive power. Or, from the manufacturer's point of view, the only offset against the increasing cost of labor is the more extensive use of motive power. Thus, the solution of the workman's problem, and also that of his employer, is the same, viz.: the greatest possible use of power." And again: "Unless cheap power is available the tendency must be to develop those industries where the output per head is small rather than those, such as for instance, electro-chemical products, where the output per head is large —industries which are daily becoming of increasing national importance."

More Power Wanted.

These extracts apply with equal force to Canada, though the exact manner of obtaining results may differ; in short, we must either concentrate on industries where the value of the product is great compared to the consumption of mechanical energy, or we must provide large quantities of cheap power if we are to continue along our course of metallurgical, pulp-making and electro-chemical development which at present seems the logical choice. Probably no one will take exception to the statement that if Canada is to prosper she must have motive power in large quantities.

The Fuel Situation.

In England and many other countries the solution has to be sought in fuel-power. Let us, however, first briefly consider the fuel situation in Canada, which is clearly shown in the accompanying chart.

This plate indicates an "acute fuel area" which practically covers Manitoba, Ontario and Quebec. Here not only is no coal produced, but the consumption is approximately seventeen out of the twenty-eight million tons consumed in the Dominion. The population of this area in 1911 was about

Coal Consumption and Production in Canada.

SOURCES OF DATA

This data obtained from:

Alberta. Dept. of Public Works, Annual Report, 1916.

Alberta. Dept. of Mines, Quarterly Bulletin, 1917.

British Columbia. Bureau of Mines, Annual Report, 1916.

Canada. Dept. of Mines, Mines Branch, Production of Coal & Coke in Canada, 1916.

Canada. Dept. of Customs, Annual Report, 1915-16.

New Brunswick. Crown Land Dept., Annual Report, 1915-16.

Nova Scotia. Dept. of Public Works and Mines, Annual Report of the Mines, 1915-16.

U.S. Geological Survey, The Coal Fields of the United States, 1917. (Professional Paper 100-A).

U.S. Geological Survey, Coal in 1915 (Part A, Production). (Part B, Distribution and Consumption.) 1916.

CONSUMPTION	BRITISH COLUMBIA	ALBERTA	SASKATCHEWAN	MANITOBA	ONTARIO	QUEBEC	PRINCE EDWARD IS.	NEW BRUNSWICK	NOVA SCOTIA	GRAND TOTALS
Domestic										
Anthracite	10,544 (2)	113,130 (2)	28,197 (2)	1,658 (2)	—	—	—	—	—	
Bituminous	1,311,433 (2)	1,951,833 (2)	140,413 (2)	17,719 (2)	—	994,944 (1)	82,924 (2)	891,031 (1)	2,826,300 (2)	
Lignites	21,143 (2)	959,526 (2)	1,134,346 (2)	79,252 (2)	—	—	—	—	—	
Total Domestic	1,343,120	3,024,489	1,302,956	98,629	—	994,944	82,924	891,031	2,826,300	10,701,530
Imported										
Anthracite	—	Small	208,000 (3)	325,000 (3)	2,242,874 (3)	1,794,410 (3)	—	Small	Small	
Bituminous	—	Small	718,879 (3)	1,627,998 (3)	6,459,105 (3)	4,174,850 (3)	—	—	—	
Total Imported	—	Small	926,879	1,952,998	8,701,979	5,969,260	—	Small	Small	17,580,603
Total Consumption	1,343,120	3,024,489	2,229,835	2,051,627	8,701,979	6,964,204	82,924	891,031	2,826,300	28,282,133
Total Production	2,584,061	4,559,054	281,300	—	—	—	—	143,540	6,912,140	14,480,095
Production over consumption	1,240,941	1,534,565	—	—	—	—	—	—	4,085,840	
Consumption over production	—	—	1,948,535	—	—	—	—	747,491	—	
Consumption no production	—	—	—	2,051,627	8,701,979	6,964,204	82,924	—	—	
	BRITISH COLUMBIA	ALBERTA	SASKATCHEWAN	MANITOBA	ONTARIO	QUEBEC	PRINCE EDWARD IS.	NEW BRUNSWICK	NOVA SCOTIA	

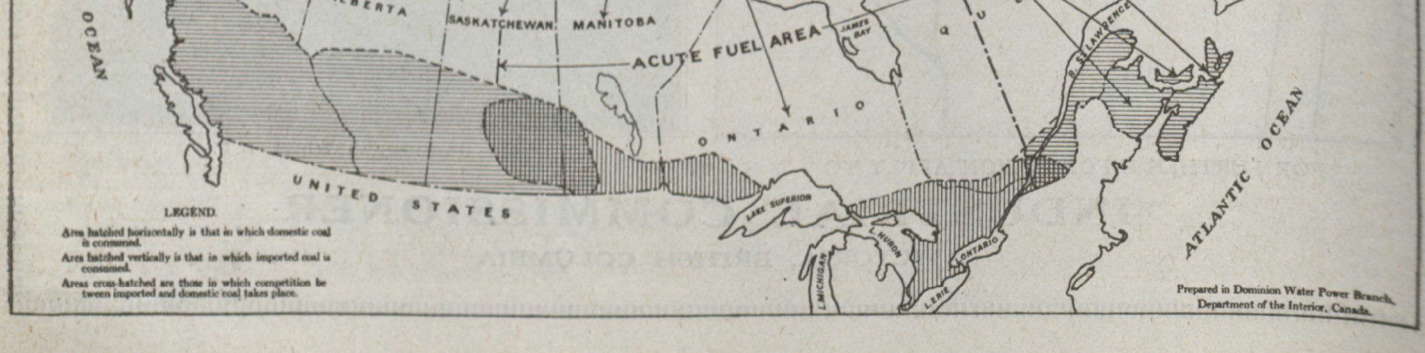
REMARKS

This compilation is based on 1916 figures. Consumption areas become somewhat distorted because 8,000,000 tons, or about ⅛ of the consumption is railway coal, and as such is carried from province to province as traffic necessitates.

Tonnages. (1) Are from Mines and other reports of provinces concerned.
(2) Are from combinations of reports of provinces concerned.
(3) Are calculated, allocating the tonnage according to population and known consumption, both imported and domestic; deductions and additions being made accordingly for domestic and imported tonnages in order to arrive at a reasonable figure. These figures cannot be obtained direct from any Government report.

Differences in totals are accounted for partly by taking arbitrary figures in some cases for purposes of calculation and by different methods of tabulation and statistics.

NOTE: Basic data compiled and tabulated by Mr. J. J. E. Bruce, Mining Engineer.



LEGEND.

Area hatched horizontally is that in which domestic coal is consumed.

Area hatched vertically is that in which imported coal is consumed.

Areas cross-hatched are those in which competition between imported and domestic coal takes place.

Prepared in Dominion Water Power Branch, Department of the Interior, Canada.

CALGARY

(ALBERTA)

Progress in Calgary of late years as shown by

BANK CLEARINGS

Year	Amount
1912	$ 275,492,303.00
1913	$ 247,882,928.00
1914	$ 201,669,873.00
1915	$ 169,758,599.00
1916	$ 233,097,671.00
1917	$ 348,663,426.00

STOCKYARD RETURNS

Year	Horses	Cattle	Hogs	Sheep
1914	10,660	42,311	194,162	34,055
1915	17,675	43,445	161,514	13,147
1916	23,084	71,870	121,568	25,087
Est. 1917	25,622	91,007	124,568	25,021
*1918	24,624	154,789	126,429	50,806

*To Dec. 14th, 1918.

POWER (ELECTRIC) STATISTICS

Year	Current supplied	Rates Domestic	Power
1912	.....	4c.—7½c.	1.1c.—2c.
1913	30,188,737 K.W. hrs.	4c.—7c.	1.1c.—2c.
1914	37,296,182 K.W. hrs.	4c.—5c.	1.1c.—2c.
1915	31,106,945 K.W. hrs.	4c.—5c.	1.1c.—2c.
1916	34,102,549 K.W. hrs.	4c.—5c.	1.1c.—2c.
1917	35,061,830 K.W. hrs.	4c.—5c.	1.1c.—2c.

(1 year's revenue, $565,600.00)

SCHOOL STATISTICS

Year	Teachers	Attendance
1912	161	7,903
1913	170	9,207
1914	220	10,430
1915	230	11,102
1916	253	11,670
1917	265	12,238

(62 school buildings in Calgary)

STREET RAILWAY STATISTICS

Year	Revenue	Expenditure	Passengers carried
1912-13	$704,053.29	$502,119.42	16,986,658
1913-14	691,008.83	515,192.44	16,213,731
1914-15	561,626.60	561,291.16	12,976,293
1915-16	$605,634.18	$576,912.09	13,894,317
1916-17	582,553.97	561,061.45	13,909,238

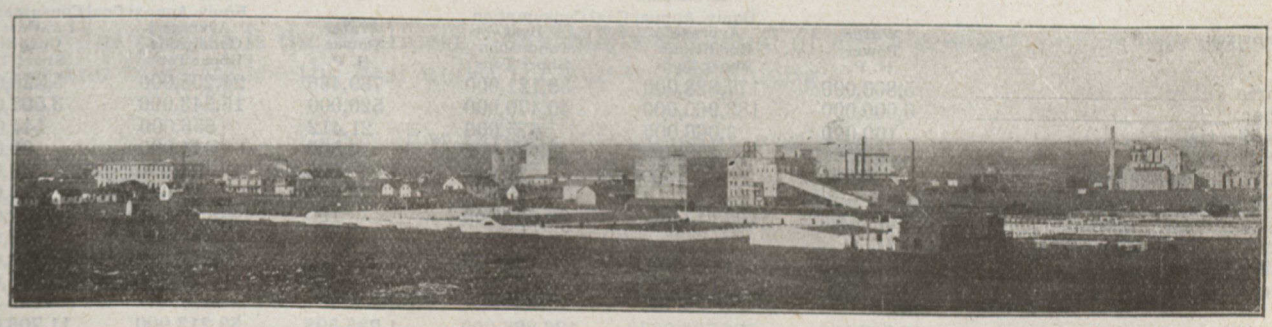
(79 cars in operation)

Population 65,000. Per capita debt, including utilities, $392.00.

Largest commercial centre between Winnipeg and Vancouver. Centre of rich mixed farming country.

City offers to prospective industrial and manufacturing concerns, suitable sites at cost price to City on extended payment plan. Lowest rates to power users in any city west of Winnipeg. Natural Gas supply at cheap rates.

J. M. MILLER (City Clerk).



five million, or very nearly seventy per cent. of the population of the whole Dominion. The greater proportion of the industrial life of the country is also located in this area, so that where the need for fuel is greatest the domestic supply is nil. The coal shortage last winter was serious and may be repeated this year, and at any future time when the production of coal for any reason falls short or transportation systems fail to cope with the situation.

Again, our climate is such, particularly in Central Canada, that artificial heat is necessary for more than half the year; for this purpose the per capita coal consumption in the acute fuel area is probably one ton per head per annum, so that even with economy, Manitoba, Ontario and Quebec will always have to import, from Canadian or United States coal fields, several million tons of coal annually for heating purposes, and this importation will grow with the population at a rate modified perhaps by the substitution of peat-fuel and the improvement of heating apparatus. It has been conclusively shown by Mr. A. S. L. Barnes, of the Ontario Hydro-Electric Power Commission, that any substitution of electricity for fuel as a heating agent on a large scale is quite impossible.

The situation, therefore, is briefly this: if Canada is to prosper cheap power in increasing quantities is essential, and the prospects of adequately meeting this requirement, by the use of fuel-power, where it is most essential it should be met, are far from favorable.

We thus have to turn to another source for motive power and find that what would otherwise be a hopeless situation can be completely relieved by water power.

Water Power.

During the past decade many estimates have been made of the available water power resources of this country. Water power is proportional to the product of the height of the fall available and the water supply. Stream measurement in this country is only in its infancy, so that with a few important exceptions, the estimate of the water power available on any given stream is little more than a scientific guess. Even where information is fairly complete, an estimate that provides for only the power available under conditions of lowest flow is misleading since much more power may be available for all but brief intervals; again, storage possibilities affect the figures. With these reservations we accept the estimate that the potential water power resources in Canada amount to nearly nineteen million horse power—this is considered a conservative estimate.

To discover exactly how much of this power is developed a complete and careful census is necessary; this information will probably be available shortly, but at present the only available estimate is one made last year, which gave the developed power as something over 1.7 million horse power; this figure is probably too low but until accurate figures are available it will serve, and it will be quite a fair statement to say that at present only about ten per cent. of Canada's water power resources are being utilized.

In order to indicate the relation between coal and water power, it may be stated that a fair average coal consumption to produce one horse power for one hour is seven pounds, or under average conditions a continuous supply of one horse power for one year is 30.66 short tons. In the northeast coast industrial area of Great Britain a comprehensive consolidation of power production was effected, with the result that several hundred thousand horse power are obtained at consumption of 1.54 pounds of coal per horse power hour or 6.745 short tons for the year.

Water Power Resources.

The subjoined table has been prepared and indicates that the available water power is equivalent to over half a billion tons of coal per year under average conditions and over one hundred and twenty-five million tons under the best conditions. While the present development represents an annual saving of over fifty million tons under average and nearly twelve million tons under the best conditions. When we consider that the present annual coal consumption in Canada is about thirty million tons, these figures become significant.

It has already been shown that Manitoba, Ontario and Quebec roughly compose the acute fuel area, while a reference to the table shows that Ontario and Quebec each have six million water horse power available and, though the table does not show it, the greater portion of the power given for the prairie provinces lies in Manitoba. We may, therefore, add to the statement that the acute fuel area uses sixty per cent. of the coal and holds seventy per cent. of the population this other statement, namely, that it also contains seventy per cent. of the water power and utilizes nearly eighty per cent. of all the water power already developed in Canada. It should, perhaps, be added that a large proportion of the water power in these three provinces is located within perfectly feasible transmission distance of the present centres of population.

British Columbia is, as the table indicates, rich in water power resources and in the utilization of this resource has already made considerable progress. Possessing as it does very extensive coal reserves, the value of the water power might, at first, appear of but secondary importance; this is not the case, however, for there are many sites, particularly in the coastal regions, where hydro-electricity represents a much cheaper source of energy than fuel-power.

The portion of Alberta at present populated is, except near the Rocky Mountains, deficient in water powers. This is also the case for Saskatchewan, and for the present at any rate the power requirements can best be met by fuel of which there are vast supplies. The northern portions of both these provinces are well provided with water falls, and as civilization spreads northward, these will no doubt contribute to its needs.

The maritime provinces are fortunate in their coal fields, but their water powers are by no means unimportant, and an intelligent working out of their energy problems, so as to utilize both sources of power, is essential to their industrial welfare.

We see, therefore, that throughout Canada the water powers are of great importance, while in the central portion of the country they are absolutely vital to prosperity. The question now becomes "What is being done to provide for their development?"

How Development is Controlled.

The Dominion government is charged with the administration, and is actively engaged in making power investigations and carrying on stream measurement work in Alberta, Saskatchewan and Manitoba. The same authority co-operates with the provinces of British Columbia, Nova Scotia and New Brunswick in securing the data essential to successful water power development. In Ontario the Hydro-Electric Commission is grappling with the problem of supplying power in no uncertain fashion, while the Quebec Streams Commission is pursuing an enlightened and active policy.

In addition to these there is a Special Committee of the Federal Cabinet on Power, while the Dominion Power Board is actively engaged in co-ordinating and supplementing all agencies charged with the investigation and development of sources of mechanical energy.

The cabinet committee is at present engaged on the whole St. Lawrence river situation and is arranging for a complete and comprehensive investigation of that river from both the navigation and power standpoints. There is little doubt that a carefully worked out scheme could provide for

Province	Available Water Power H. P.	Available Equiv. Annual Coal Consumption Average Conditions Short Tons	Available Equiv. Annual Coal Consumption Best Conditions Short Tons	Developed Water Power H. P.	Developed Equiv. Annual Coal Consumption Average Conditions Short Tons	Developed Equiv. Annual Coal Consumption Best Conditions Short Tons
Ontario	5,800,000	177,828,000	39,121,000	789,466	24,205,000	5,325,000
Quebec	6,000,000	183,960,000	40,470,000	520,000	15,943,000	3,507,000
Nova Scotia	100,000	3,066,000	675,000	21,412	656,000	144,000
New Brunswick	300,000	9,198,000	2,023,000	13,390	411,000	90,000
Prince Edward Island	3,000	92,000	20,000	500	15,000	3,000
Manitoba	3,500,000	107,310,000	23,607,000	76,250	2,338,000	514,000
Saskatchewan				100	3,000	1,000
Alberta				32,860	1,007,000	222,000
British Columbia	3,000,000	91,980,000	20,235,000	269,620	8,267,000	1,819,000
Yukon	100,000	3,066,000	675,000	12,000	368,000	81,000
Canada	18,803,000	576,500,000	126,826,000	1,735,598	53,213,000	11,706,000

NEW BRUNSWICK

One of the Provinces by the Sea - The Maritime Provinces

With Nearly 30,000 Square Miles of Area, Most of Which Produces Either Farm Produce or Lumber

The Crown Lands of New Brunswick are famous for their value and are the chief Revenue Producing Asset of the Province.

A Policy of Conservation, looking to the future, a vigorous Forest Service and Efficient Fire Patrol gives assurance for the protection of this Provincial Property.

The Coal Areas of Queens and Sunbury are estimated to produce 150,000,000 tons before exhaustion. Since war began their wonderful development has played an important part in assuring industrial activity.

The Boom in Agriculture in New Brunswick, due to progressive policies, Energetic Government Organization, Education in Better Farming Methods, is the most healthy sign of prosperity in the Province by the Sea. Farm mortgages have been reduced to the vanishing point in many sections.

Dairying, Sheep and Cattle Raising, Poultry and Pork, all spell Prosperity to New Brunswick Farmers.

Shipbuilding and Fisheries. These go hand in hand. Forests are converted into wooden ships and the sea gives up its wealth of food for the ships to carry. This wealth of the sea never fails. It increases as enterprising effort increases.

Manufacturers and Water Power

Manufacturers Always Follow Natural Wealth and the undeveloped Water Powers of New Brunswick now having Government attention must attract the wide awake manufacturer. Tens of thousands of horse power have been wasted in New Brunswick every year for all time. A Water Powers Commission has been created and will bring about a change in this respect. There is wealth in Water Powers and New Brunswick stands ready to assist the enterprising manufacturers who believe in cheap power.

New Brunswick will welcome every man who is looking for agricultural, industrial or business opportunities.

Our climate is the healthiest, our schools the equal of any elsewhere, our people generous and hospitable---the best under the sun to live among.

For further information, apply to

Supt. Immigration
St. John, N. B.

Secretary for Agriculture
Fredericton, N. B

river navigation of sufficient draught to accommodate ocean vessels and at the same time provide many hundred thousands of horsepower of hydraulic energy; since practically the same capital expenditure would provide for both power and navigation these interests would share the cost. It is greatly to be desired that such a scheme be worked out and the United States government invited to co-operate, at any rate in the international portion, of an undertaking that promises such great returns to both countries.

It can, I think, be conceded that Canada is well to the forefront in her power activities, but if she is to make the greatest advances of which she is capable, the public must demand and the various governments see to it that there is no slackening of effort and that no industrial endeavor shall fail for the want of the mechanical power it requires.

NEW BRUNSWICK FARM STATISTICS

	1914.	1915.	1916.	1917.
Buckwheat	1,198,028	1,085,449	1,082,183	.....
Oats, bushels ..	5,986,592	5,841,850	5,883,963	4,470,483
Wheat, bushels .	356,760	268,899	284,985	231,860
Potatoes, bushels	9,875,570	8,384,951	8,148,807	5,631,393
Turnips, bushels.	3,560,792	3,733,763	4,189,203	3,818,167
Horses	64,075	64,488	65,939	.....
Cattle	253,273	247,212	247,609	.....
Sheep	142,141	136,193	138,883	.....
Swine	88,167	88,538	87,847	.....
Cheese, pounds ..	1,022,026	1,165,651	1,185,664	4,115,753
Creamery butter, pounds	1,090,501	776,416	709,932	500,050

COBALT ORE SHIPMENTS, 1907-1918

In tons of 2,000 lbs.—Figures for 1918 are preliminary estimates.

Mine	*1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918
Aladdin Cobalt	.....	.....	.....	.....	.....	.....	.....	.....	.....	117.77	491.33	370.05
Badger	.....	.....	.....	.....	27.10	.....	.....	.....	.....	.....	.....	.....
Bailey	.....	88.80	36.85	.....	20.00	41.57	150.35	20.50	.....	.....	.....	.....
Beaver	.....	.....	51.38	140 06	790.81	402.97	292.21	392.07	621.63	541.05	410.40	286.88
Buffalo	1,241.54	536.90	648.86	1,185.77	1,275.19	1,251.64	66.13	.....	567.33	422.43	1,348.33	4,019.49
Casey Cobalt	.....	10.00	8.50	48.40	277.74	214.34	401.54	608.30	260.98	310.39	.....	.....
Chambers Ferland	.....	223.89	517.88	885.92	622,85	501.29	223.78	308.06	326.57	.....	.....	.....
City of Cobalt	50.61	761.04	566.82	329.40	281.30	230.00	105.14	495.71	.....	.....	.....	.....
Cobalt Lake	.....	225.97	95.47	296.80	2,111.32	1,085.22	1,196.33	919.01	.....	.....	.....	.....
Cobalt Townsite	143.22	177.71	27.35	310.99	703.51	1,944.77	2,762.54	1,950.73	.....	.....	.....	.....
†Cobalt Comet(Dr'm)	104.13	1,161.38	1,225.47	2,194.41	714.83	458.85	610.06	587.03	634.22	51.04	.....	.....
Colonial	40.38	.....	.....	178 60	114.10	86.48	21.56	.....	.....	.....	.....	.....
Coniagas	2,447.37	610.25	806.93	1,261.4	1,813.89	2,119.87	1,620.40	1,217.26	914.25	821.55	1,099.49	1,273.37
†Crown Reserve	.....	657.35	3,167.52	2,184.25	977.32	561.65	791.15	1,067.00	956.14	22.58	.....	.....
Dominion Reduction	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	3,168.54	1,794.25
Edwards & Wright	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	109.97
Foster	312.13	191.20	113.90	.....	.....	.....	.....	4.50	.....	.....	.....	43.90
Green Meehan	98.39	.....	.....	.....	102.98	.....	12.96	.....	.....	.....	.....	.....
Hargreave	.....	.....	.....	343.68	102.44	17.35	.....	.....	.....	.....	20.00	.....
Hudson Bay	149.53	1,094.23	743.64	260.33	898.88	694.55	609.14	647.95	.....	131.04	453.66	340.01
Imperial Cobalt	14.61	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
†Kerr Lake	319.76	660.24	1,173.42	5,088.78	1,292.58	788.10	933.35	628.42	1,080.32	229.97	533.96	519.37
King Edward	31.12	338.19	146.58	134.12	20.00	.....	87.21	.....	.....	.....	.....	.....
La Rose	2,815.45	4,843.17	6,757.21	5,131.53	3,581.54	3,511.40	3,275.14	1,582.54	1,625.54	1,184.32	1,382.70	1,087.62
Lawson	61.12	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Lost and Found	.....	.....	.....	.....	.....	65.20	8.80	.....	.....	.....	.....	.....
Lumsden	.....	.....	.....	.....	.....	.....	20.00	.....	.....	.....	.....	.....
McKinley Darragh	742.42	1,808.39	1,056.49	2,393.39	3,238.64	2,673.40	2,865.66	2,903.50	1,778.85	2,025.00	2,954.59	2,555.05
Mining Corp. of Can. Cobalt Lake	.....	.....	.....	.....	.....	.....	.....	223.37	1,221.87	1,907.70	2,272.18	1,445.90
Townsite City	.....	.....	.....	.....	.....	.....	.....	533.40	2,563.29			
Nancy Helen	30.10	201.32	116.32	.....	.....	.....	.....	.....	.....	.....	.....	.....
National	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	214.41	252.63
Nipissing	2,538.26	3,571.96	6,470.52	6,833.81	2,952.20	1,869.27	1,950.22	1,235.07	473.47	2,927.82	3,541.52	3,049.81
North Cobalt	.....	.....	6.87	.....	3.00	.....	.....	.....	.....	.....	.....	.....
Nova Scotia	272.21	237.95	224.79	.....	.....	.....	.....	.....	.....	.....	.....	.....
O'Brien	1,491.61	3,459.51	1,419.11	608.57	628.44	711,43	703.43	523 21	396.12	251.01	1,626.84	782.94
Penn Canadian	77.33	187.99	339.01	285.62	22.40	126.35	332.18	460.53	685.30	558.14	371.75	290.90
Peterson (Leases)	.....	.....	.....	.....	.....	.....	.....	122.52	.....			
Gould	.....	.....	.....	.....	.....	.....	.....	9.00	50.05	.....		
Little Nipissing	.....	40.67	39.62	313.76	28.45	.....	.....	.....	.....	407.17	.....	81.00
Nova Scotia	.....	.....	121.15	.....	.....	.....	.....	.....	.....			
Seneca Superior	.....	.....	.....	.....	.....	432.97	457.93	398.96	1,008.80			
Pittsburg Loraine	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	16.77
Provincial	.....	75.84	.....	52.05	100.54	22.22	.....	.....	.....	.....	.....	.....
Princess	3.93	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Red Rock	45.71	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Right of Way	129.37	750.04	1,608.99	981.41	636.06	243.24	146.12	184.16	125.43	105.07	138.57	211.31
Rochester	.....	.....	.....	28.30	.....	.....	.....	.....	.....	.....	.....	.....
Silver Bar	.....	.58	.....	.....	2 72	.....	20.00	20.00	.....	.....	.....	.....
Silver Cliff	.....	160.44	149.06	156.84	92.30	.....	48.05	.....	.....	.....	.....	.....
Silver Leaf	46.36	197.03	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Silver Queen	478.57	885.70	316.64	.....	.....	31.25	201.98	105.42	19.69	.....	25.00	37.30
Temiskaming	204.32	795.20	852.14	1,119.12	855.60	967.31	406.26	417.56	552.43	461.16	324.87	95.61
Temiskaming Cobalt	67.98	.....	.....	.....	.....	.....	.....	.....	.....	.....	32.00	.....
Trethewey	833.58	1,408.69	1,134.50	536.64	602.98	579.10	587.54	613.28	124.29	246.52	435.62	310.67
University	60.23	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Victoria	.....	.47	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Violet	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Waldman	.....	.....	.....	38.81	.....	.....	.....	.....	.....	.....	.....	.....
Wyandoh	.....	.....	.....	24.15	.....	.....	.....	.....	.....	.....	.....	.....
Totals	14,851.34	25,362.10	29,942.99	33,976.97	24,921.71	21,631.79	20,916.16	18,220.71	15,936.52	15,044.00	20845.76	18974.80

* The shipments for 1904 totalled 158.55 tons ; for 1905, 2,336.01 tons, and for 1906, 5,836.59 tons.

† In addition to the shipments by this Company, the Dominion Reduction Company shipped from this mine and two others, 2,322 tons of ore, which are included in the total shipments of 15,044 tons in 1916.

Help Your Selling Force Go Over The Top

THE fighting men have done their job, backed whole heartedly by the commercial and industrial energy of Canada. Now the selling men must reopen the peace-time channels which were choked up by war—must make them bigger than ever for a bigger producing North America.

Send your salesmen into the fight with a barrage fire of "direct advertising" in front and behind them. Help them hold your old markets and open up new ones.

The Addressograph is the artillery of business. It multiplies selling effort—opens and keeps open the channels of distribution. Give it a chance in your business NOW, when you need it more than ever.

The Addressograph makes direct advertising profitable and easy. It fills in letters exactly like typewriting, but 15 times faster—addresses circulars "on time"—puts your messages into the mail in short order—saves time and money—insures accuracy in writing names on any or all of the forms listed to the right.

Use the Addressograph with a complete, up-to-the-minute mailing list and get the results you want.

Hand foot lever or motor models for speedily printing (THRU RIBBON) typewritten names, addresses, and other data on

- **Changes in Prices**
- **Circulars**
- **Letters to "Fill In"**
- **Envelopes**
- **Statements**
- **Pay Forms**
- **Shop Orders**
- **Route Sheets**
- **Record Sheets**
- **Dividend Forms**
- **Checks**
- **Inventory Records**
- **Wrappers**
- **Labels**
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70 Bay Street, Toronto, Ontario.

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138 Portage Ave, WINNIPEG, MANITOBA

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Dominion Govt. (Many Depts.)
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Consumers Gas Co.
Canadian General Electric Co.
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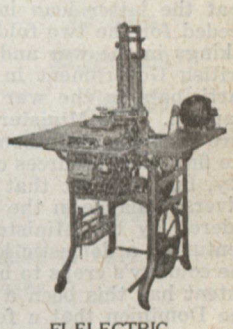
Manufacturers Life Ins. Co.
Imperial Life Ass. Co.
Confederation Life Ass'n.
Great-West Life Ass. Co.
Sun Life Ass. Co.
Massey Harris Co., Ltd.
A. E. Ames & Co.
Wood, Gundy & Co.
Dominion Securities Corp. Ltd.
Canadian Bank of Commerce
Bank of Montreal
Dominion Bank
Royal Bank
Canadian Consolidated Rubber Co.
Dunlop Tire & Rubber Goods Co. Ltd.
Canadian Pacific Railway (Many Depts.)
Grand Trunk Rly.
Canadian National Rly.
G. N. W. Telegraph Co.
Canadian Westinghouse Co., Ltd.
The Steel Co. of Canada, Ltd.
T. Eaton Co., Ltd.
Robt. Simpson Co., Ltd.
Gordon MacKay & Co., Ltd.
John Macdonald & Co., Ltd.
Imperial Tobacco Co., Ltd.
International Nickel Co., Ltd.
Lake of the Woods Milling Co.
Wm. Davies Co., Ltd.
Harris Abattoir Co., Ltd.



FI ELECTRIC ADDRESSOGRAPH

Many Hydro-Electric Offices and also many Gas and Water Offices throughout the Dominion of Canada

WAR AND CANADIAN INDUSTRY

Results on Industry and Finance—Future Economic Possibilities for Canada

By William Lewis Edmonds

That the industrial life of Canada must necessarily experience a measure of disturbance in adjusting itself to the new conditions created by the period of reconstruction upon which we have entered there can be no doubt. The prosperity of the past four years had its origin in war business, not in natural economic conditions. Now we are faced with the problem of building up industry in accordance with normal peace-time conditions. Production has to be readjusted, markets readjusted, finances readjusted, and the price of commodities and the cost of labor readjusted. That this is a complex as well as a large programme there can be no doubt. It is equally certain that it is a programme that cannot be worked out in short order.

The new year upon which we have entered will necessarily be a pivotal one, for the extent to which the industries and the finances of the country are brought into conformity with the new economic conditions obtaining will largely determine the measure of prosperity of the years to come as well as that obtaining in 1919 itself. Nineteen-nineteen may therefore well be accounted a critical year in the industrial life of the Dominion. But while this is patent, it by no means follows that the outlook is fraught with conditions alarming and insurmountable. On the contrary, the conditions are of a character which warrants confidence.

But confidence itself will not carry us far on the road to prosperity. Confidence is only a factor when it stimulates action. The desideratum is action, and co-ordinate action at that, on the part of manufacturers, farmers, merchants, bankers and the Government. Each for each and all for the one purpose—the establishing of the industrial life of the Dominion on a sounder, broader, healthier, and more permanent basis than it has ever hitherto occupied.

The Canada of to-day is very different from the Canada of 1914. In that year its trade and commerce was declining rapidly, credit was in danger of collapse and pessimism abounded. Those best qualified to judge, while not hopeless regarding the ultimate destiny of the Dominion, feared that many years must elapse before the industrial life of the country would recover from the effect of the preceding period of over-expansion in trade and inordinate expansion in credit.

True the four years of unexpected prosperity which followed was based upon the artificial conditions created by the war. At the same time, however, it enabled the industrial life of the country to get upon its feet again. And that which is more important still, it led to the upbuilding of a financial and industrial superstructure far broader and stronger than four years ago would have been deemed possible. It may be said that in respect to both, Canada has in the four years advanced from the stage of adolescence to that of manhood.

Canada's Financial Development.

Canada's development in the sphere of finance during the past four years is nothing short of remarkable. Up to the outbreak of the war, when large sums of money were wanted, it was to London or New York that we went to float our securities. And this meant on an average about $300,000,000 a year, most of which was obtained in London. The federal government floated all its loans in the British market, not making its first venture in New York until the summer of 1915, and then only because London was no longer open as a source of supply. True there were public men and newspapers who urged that an attempt should have been made to float the latter loan in Canada. But the money was badly needed for the two-fold purpose of financing our own undertakings in the war and for providing a line of credit for the British Government in order that our manufacturers might participate in the war orders which the latter had at their disposal. The Minister of Finance feared, therefore, to venture upon an unfathomed sea. At any rate, not only were the financial resources of the Dominion an undetermined quantity, but the fact that at that time there was an enormous adverse balance in the foreign trade of the country was considered by the Minister good and sufficient reason for not venturing a domestic loan. Then there was the financing of the country's crops to be taken into consideration. To such an extent had this been a strain upon the financial resources of the Dominion that a few years before it had been necessary to enact special legislation for the purpose of giving temporary elasticity to the bank currency of the country. But in 1915 the crops were abnormally large, and consequently a correspondingly larger sum of money was needed to move them.

It was not until November, 1915, when the financing of the crops had been pretty well provided for and the adverse balance in the foreign trade of the country had been transformed into a favorable one, that the Minister of Finance made his first and historical venture in floating a domestic loan. He asked, it will be remembered, for $50,000,000. In the light of to-day that seems comparatively small. But it did not look small then. And there were not wanting "Doubting Thomas'" who feared that the Minister was seeking more than he could attain. The success of that loan, when over $100,000,000 was subscribed, awoke Canadians to the fact that the financial resources of the country were very much stronger than they thought possible. And the experience in respect to that loan has been repeated in each of the four loans since floated. In other words, each was successful to a degree beyond that which had been deemed possible. In all somewhere about $1,500,000,000 has been subscribed, of which close to $1,400,000,000 has been allotted, while the total number of subscribers to the fifth and last loan were 1,029,000, compared with 24,862 to the first.

But the evidences of the financial strength of the Dominion are not confined to the subscriptions to the five domestic loans which the Minister of Finance has floated with such a measure of success. There are also the savings of the Canadian people to be taken into the accounting. These, too, reflect considerable increment to the financial strength of the country. According to the latest available statistics the total amount on deposit with the chartered banks of the country, including that on Government and foreign account, is $2,112,183,000. This is the largest on record, and compared with the average of 1914 shows an increase of $967,973,000, or over 85 per cent. But, enormous as this sum is, it does not include all the money that is on deposit in Canada. There is, for example, the $53,315,000 on deposit in the postoffice and Government savings banks, while with the loan and trust companies of the Province of Ontario alone there is a further sum of $27,000,000. Without, therefore, taking into account the sums that may be deposited with loan and trust companies outside Ontario and in private banks scattered throughout the country, we have in sight a grand total of $2,192,498,000 in deposits. That this means much as a contributing factor to the industrial welfare of the Dominion there can be no doubt. A liberal supply of funds implies cheap money.

Although war business, which contributed so much to the industrial prosperity of the country, is now practically at the irreducible minimum, the fact should not be overlooked, in considering the possibilities appertaining to the future, that the manufacturing industries of the Dominion are in many respects in a much stronger position than they were four years ago. There has been a marked increase in both the number of factories and in the diversity of commodities manufactured. This, in turn, means that the country is more self-contained. But that which is possibly more important still is the undoubted increase in efficiency in manufacturing processes, implying as it does relative decrease in the cost of production. This is particularly true of the such staple industries as those appertaining to iron and steel and textiles. Time and time again during the last four years it has been demonstrated that the manufacturers and mechanics of Canada have been able to furnish parts of shells both lower in price and higher in quality than any other competing country. They were in many instances remarkably quick in adaptability. That this quality will stand them in good stead during the period of construction upon which we have entered may be taken for granted.

But there is at least one other respect in which the position of the manufacturers is much stronger than it was when war broke out. And that is in respect to their financial position. That is undoubtedly infinitely better. Four years ago even some of the larger industrial corporations were not only compelled to pass their dividends but they owed large sums to the banks. A study of the annual reports of the last year or two shows that a great change has taken place in this respect. In the place of large unliquidated indebtedness to the banks substantial surpluses are to be seen. But this is not the only evidence of financial strength, for in many instances the reports reveal the fact that large sums of money —in many instances running into millions—are invested in gilt-edged revenue-producing securities. Furthermore, there has been substantial additions to rest and emergency accounts and unusually liberal writing-off for depreciation in plant and machinery, thereby making corresponding reductions in overhead charges. In not a few instances cost of new plants erected for special purposes have been entirely written off in the course of a couple of years. And all this has been done in

spite of the excess profits tax, which is estimated to have taken about sixty million dollars from the pockets of the manufacturers since the Federal government first imposed it.

That the potential possibilities of a country's industrial activities are largely determined by its available natural resources there can be no doubt. Judged by this standard there can be no question regarding Canada's position. Speaking in general terms there is no country in the world more favorably situated; in fact, it is no exaggeration to say that there is no country as favorably situated. True, we do not produce raw cotton. But the source of supply is right at our door. And although but a relatively small portion of the iron ore we smelt in our furnaces is of native production, the country abounds in rich deposits of the mineral, while in Newfoundland are being operated by Canadian companies the greatest iron ore mines in the world. In nickel, the great essential for the modern manufacture of steel, Canada practically monopolizes the world. Practically the same can be said in regard to cobalt, asbestos, molybdenum, and mica. As a matter of fact, in nearly all the important metals and minerals of commerce Canada is rich in its supply. Wool we are producing in larger quantities than ever before, and while for the finer grades we may, on account of climatic conditions, always be compelled to go abroad, yet we are gradually, through the efforts made during the past three or four years to increase production, becoming more self-contained. Our lumber resources, in spite of the prodigality of the past, are enormous, and, with the preconcerted efforts which are being made by Federal and provincial authorities in the direction of conservation, will undoubtedly increase in potential value. While farming is not manufacturing, yet something like eighty per cent. of the products of the farm goes through a process of manufacture before it reaches the ultimate consumer. And Canada's potential possibilities in the sphere of agriculture are unequalled by any other country in the world. In the final analysis, therefore, the farm and the factory are closely allied. Coal we have in unlimited quantities, Ontario being the only province nature has placed at a disadvantage in this respect. But while Ontario has no coal she has unlimited water powers which she has already utilized for the development of hydro-electric energy to a greater extent than any province or state in the world. Taking Canada as a whole, she has greater potential possibilities in respect to the development of hydro-electric energy than any other country in the world. Her estimated water area is 127,755 square miles, while that of the United States is but 52,630. The available water-power of the Dominion is estimated by engineers to be about 17,000,000 horse-power, while the amount so far developed for power purposes of various kinds, is less than two million horse-power. Two years ago, according to a report issued by the Department of the Interior, the amount was 1,712,193 horse-power. And water-power means cheap power, to the manufacturer a most important factor in relation to the cost of production.

While no one can predict with certainty what market conditions for the products of the factories of Canada may be during even the present year, let alone the years to follow, yet that they are favorable rather than otherwise there can be no doubt. The home market is certainly promising. Owing to the demand for supplies on war account and the scarcity of labor, production for domestic consumption has on the whole been much below normal. As a result stocks in the hands of both manufacturers and merchants have for some two or three years also been below normal. And while there is no disposition on the part of merchants to lay in heavy stocks, but rather to buy sparingly as necessity demands, that which prevents them from purchasing more freely is the fear that there may possibly be a sharp fall in prices before a great while. In view of the fact that present abnormally high prices must eventually decline, this is undoubtedly the safer course to follow. That, however, prices generally are likely to experience a sharp decline in the near future is barely possible. As a matter of fact, importers are being notified, in not a few instances, that repeat orders can only be accepted at an advance. This appears to be particularly true of textiles.

Then as to the export trade, while we can no longer count on the continuance of the export trade in munitions, which during the last fiscal year reached close to $400,000,000, large quantities of iron, steel and lumber will undoubtedly be required for constructive purposes. Large quantities of these will also be required at home, and particularly for the long overdue equipment of railways and new rolling stock and for the resuming of operations on deferred public works. Europe

BRANDON

A. R. McDIARMID, Mayor — H. BROWN, Clerk

Second Largest City in the Province of Manitoba Located in the Heart of the Finest Farming Districts

The Logical Distributing Centre for Western Manitoba and Eastern Saskatchewan

A divisional point on the C. P. R. and the C. N. R., also served by the G. N. R. and by the G. T. P., all connected by a transfer railway. Along these railways there are MANY GOOD INDUSTRIAL SITES.

Advantageous freight rates on all main and branch lines.

To	Miles	To	Miles
Dauphin	137	Yorkton	196
Esterhazy	134	Broadview	131
Kipling	127	Weyburn	216
Radville	215	Esteven	164

and other more distant points.

Assessment	$16,800,000
Tax Rate	25 Mills
Gross Debt	$3,200,000
Net Debt	700,000
Capital Assets	3,700,000
Sinking Fund Investments	1,000,000

in bonds of Dominion of Canada War Loans.

will also undoubtedly require large quantities of our foodstuffs.

While it is gratifying to note that the government, by appointing two commissions, one to investigate abroad and the other to co-operate at home, is at last taking definite steps to assist in developing the export trade, yet very little of a permanent character can be accomplished in the desired direction unless the manufacturers of the country, individually and collectively, take an active interest in the movement. It is important, in the interest of the Dominion as a whole, as well as in that of their own, that aggressive steps should be taken to develop the export trade of the country to the greatest possible limit.

Prior to the outbreak of the war Canada had an enormous adverse trade balance. In 1913 it was over $293,000,000. That was a serious thing, and was in part due to the relatively little attention which Canadian manufacturers gave to the export trade. At the close of the last fiscal year the trade balance was in our favor to the extent of over six hundred million dollars. While, with the resumption of normal import conditions, it is altogether unlikely that a favorable trade balance to this extent can be maintained, yet it must be remembered, on the other hand, that the restoration of normal ocean shipping facilities will be greatly beneficial to the export trade, and particularly when we consider the Government fleet of steamers now being constructed which will be available for the purpose.

ALBERTA AGRICULTURE IN 1918

Grain Crops Not Good, but Stock Has Been Preserved—Mixed Farming Is Growing—Increase in Values

By Duncan Marshall.

A consideration of agricultural conditions in the Province of Alberta for the year 1918 must take account of a series of rather irregular occurrences which have been unfavorable to individual areas and which have affected total results as far as a large surplus of bread grain is concerned. Naturally the wheat supply is of the greatest possible interest and the considerable reduction of the wheat supply of the province has been made widely known. On the other hand, the wheat crop result in the province or the reduction of the wheat yield in the south is not representative of crop returns as a whole or of the province as a whole. The outstanding feature of the operations as seen at the end of the past year is the great recuperative and adjustive capacity of the industry due to the stable interest of live stock in Alberta and to the effective effort on the part of governments, railways and individuals to requisition the total unclaimed feed resources of the province to supplement the light crop secured on cultivation. The year that started bad has turned out not so bad or almost good.

Aim at Greater Production.

During the past three years there has been carried on by both the Federal and Provincial Governments a vigorous campaign in favor of greater production, and the years 1916 and 1917 were highly favorable years in the interest of the farmer—in 1916 chiefly on account of the very heavy yield and good prices and in 1917 on account of a satisfactory yield with still higher prices. At the beginning of 1918 farmers were in a position to make an effective effort to increase production during the year 1918. This effort related chiefly to our primal production, wheat. The part of the province which has devoted itself most exclusively to wheat growing, that is, southern Alberta, at the opening of spring had a large area ready for crop. Not only was the area greater than in any previous year on account of new breaking, but a considerable part of the old land had been carefully summer-fallowed and the appearance of the country indicated that in no previous year was the land so well worked down and prepared for production as it was last year. In addition to the prospective expansion of wheat production in the south, the central and northern sections of the province were likewise sowing a greater proportion than usual of wheat instead of oats and other feed grains.

The results, as far as making a desirable contribution to world bread stuffs is concerned, were not good. The area seeded to wheat in 1917 was 2,897,300 and in 1918 3,892,489, an increase of nearly 35 per cent. Notwithstanding this the total yield is estimated at 23,862,100 in 1918 as against 52,-992,100 in 1917, approximately only 40 per cent. of the previous year.

Bad Weather the Cause.

The shrinkage was due to unfavorable weather conditions in the occurrence of drought in the southern part of the province and frost in the central and northern parts. The grain of southern Alberta germinated strongly and well and the crop at the time of coming through the ground looked well. There were, however, in some areas very heavy winds which dried out the ground, totally checked the growth of the crop, and in some places were so violent as to blow the seed out of the ground. Following the period of germination there was no effective moisture in the southern part of the province until about the time of the wheat harvest. The moisture did not come soon enough to redeem the wheat crop in the southern part of the province though it helped to fill some of the grain that had survived the drought on summer-fallowed land. There were some instances in which yields of from twenty-three to twenty-five bushels per acre were secured. This was limited wholly to summer-fallowed land. Stubble land was a failure as far as grain production was concerned.

Cutworms, Hail and Frost.

In certain limited areas as is usually the case in dry years the cutworms did some damage. This, however, was not widespread. The Innisfail district was perhaps the worst with this trouble and some fields were seeded two or three times. There was practically no injury at all from hail in the province last year.

The northern part of the province had its share of misfortune. On July 23rd frost occurred which injured or destroyed a large proportion of the wheat. The frost was the heaviest that has occurred over a period of twenty years. It occurred in the northern and central parts of the province as far south as Hobbema on the Calgary and Edmonton Railway but bending rather farther south than this, east of the Calgary and Edmonton and continuing to the eastern boundaries of the province. The frost affected the wheat crop chiefly and the oats and barley to a much less extent. The very early oats that were in head at the time that the frost occurred were hurt but the majority of the oat crop was not this far on and was not injured except for a slight checking of growth. No doubt the frost affected to some extent the yield and quality of both oats and barley and the drought was not entirely confined to southern Alberta. With an increase of four or five per cent. in area devoted to oats, which was 2,651,548 acres in 1918 as against 2,537,900 acres in 1917, and our average yield estimated at 23.75 in 1918 as against 34 in 1917, our total yield was 62,947,300 as against 86,288,600, a reduction of about 27 per cent. in our total returns in oats. Barley shows a similar decrease, being 8,641,200 last year as against 10,-386,200 in 1917.

The occurrence of drought and frost explains the reduction of the grain surplus in the province. At the same time the total output seems to be rather favorable in the light of what was expected in the circumstances of the excessive drought in the southern part of the province. The holding up of returns to a fairly satisfactory basis is due to the occurrence of late rains which brought on some of the wheat which was already in head and helped to fill it. In the central and northern parts of the province likewise, as is usually the case where frost occurs, the injury was not absolute. There was a great deal of wheat that yielded no grain at all, but on the other hand there is in the country a good deal of grain of fair milling quality. In the case of oats more particularly the injury from frost did not relate to the quality of grain so much as to the quantity. The crop was set back somewhat by the frost but subsequent rain brought on a second growth. Late oats more particularly were a good crop. Subsequent to the frost in July there was no early frost to injure ripening grain.

Hay Crops Mostly Poor.

The other great crop of the country, that is, forage, consisting of tame hay, alfalfa, wild hay and green feed, naturally suffered through the same causes as the grain crop. Timothy was relatively a failure. Alfalfa was not as good as 1917 and necessarily the area sown to green feed would yield smaller weight and volume per acre than usual. On the other hand, the occurrence of the late rains already spoken of, while they did not redeem the grain crop, conserved a good deal of the crop for forage purposes. Thousands of acres of grain, chiefly wheat, which did not turn out as expected, took on a second growth and yielded a good deal of rough hay and also good pasture. The oat crop was a standard forage crop in Alberta and the usual area was seeded last year for fodder purposes or green feed as it is called. This was not as heavy as usual, and owing to the

Estimated Yield and Value of Agricultural Products and Live Stock, 1918.

	Acres	Bushels	Yield per acre	Price	Revenue
Spring wheat	3,848,424	23,090,544	6 bu.	$ 2.00 bu.	$46,181,088.00
Winter wheat	44,065	771,137½	17½ bu.	2.00 bu.	1,542,275.00
Oats	2,651,548	62,974,265	23¾ bu.	.90 bu.	56,676,838.50
Barley	470,073	8,461,314	18 bu.	1.25 bu.	10,576,642.50
Flax	95,920	479,600	5 bu.	3.25 bu.	1,558,700.00
Rye	47,877	873,755	18¼ bu.	1.50 bu.	1,295,632.50
Mixed grains	27,989	139,945	5 bu.	1.00 bu.	139,945.00
Hay	469,000	234,500	½ tn.	20.00 tn.	4,690,000.00
Alfalfa	31,390	31,390	1 tn.	23.00 tn.	721,970.00
Potatoes	30,000	3,750,000	125 bu.	1.10 bu.	4,125,000.00
Turnips	7,416	1,483,200	200 bu.	.40 bu.	593,280.00
Mangolds	1,538	307,600	200 bu.	.40 bu.	123,040.00
Other roots	2,552	710,400	200 bu.	.50 bu.	355,200.00
Animals slaughtered and sold					50,000,000.00
Dairy products					27,500,000.00
Wool clip (2,500,000 pounds)					1,625,000.00
Game and furs					2,250,000.00
Horticultural					200,000.00
Poultry and products					4,000,000.00
Total					$214,154,611.50
Total acres (grain), 1918	7,727,792				

Live Stock	Number	Price	Revenue
Horses	791,246	$100.00	$79,124,600.00
Swine	601,534	20.00	12,030,680.00
Sheep	332,179	12.00	3,986,148.00
Dairy cows	328,702	80.00	26,296,160.0
Calves	397,670	15.00	5,965,050.00
Steers	195,035	100.00	19,503,500.00
Other cattle	730,949	50.00	36,547,450.00
Bulls	39,226	100.00	3,922,600.00
Total live stock	3,417,141		$187,376,188.00

prolonged harvest weather a lot of it that was sown for green feed was allowed to ripen for grain.

Feed for Stock Sufficient.

It might be expected that the drought would be especially disastrous to feed interests but in this connection it must be remembered that there are vast areas of natural hay in the province which had never been requisitioned for stock feeding purposes until last year. These are principally in the northern part of the province but to some extent in the central also. Thousands of tons of this hay were cut last year in the north country and baled and shipped to southern Alberta. This work was made possible by the co-operation of the great transportation companies and the Dominion Department of Agriculture with the Alberta Department of Agriculture by which the railways reduced the rate of transportation for both hay and stock by a half and the Federal Government absorbed the other half, which made a free rate for the movement of stock and feed from the south and north respectively.

The special work of the Provincial Government was facilitating the movement of stock and feed. The whole of the north country was cruised by special agricultural representatives of the Department and the condition of stock in the south was carefully inventoried by departmental officials. Arrangements for the movement of both stock and feed were facilitated through the offices of the Department of Agriculture. Cattle to the number of 30,000 and sheep 65,000 were moved from the range country to north of the Red Deer River last season. Some of these were finished on the pastures and marketed. Some were grazed through the fall season and were shipped back. Some will be wintered in the north and centre on hay and green feed that has been put up and a few enterprises will become established on these heavier feed areas, and considerable relief to the short range was secured by moving stock into the forest reserves.

Live Stock Preserved.

The total result of adjustments through the co-operation of official and private activity has been that the live stock industry of the province has been conserved and the people with live stock have been saved from discouragement and loss. Prompt action by the Department checked an incipient movement to unload a great proportion of the southern live stock as stockers in Chicago. An appreciation of the advantages of the live stock side of farm work which has always been very strong in the province together with timely help from official sources prevented what would have been a great catastrophe in our agricultural development.

It is the progressive dominance of live stock in our agricultural work which has neutralized the unfavorable seasonal conditions with respect to grain. A convenient summary of values expressed in concrete figures is as follows:—

Grain and other products, 1917	$261,081,954.00
Live stock, 1917	134,071,088.00
Total	$395,153,042.00
Grain and other products, 1918	$214,154,611.50
Live stock, 1918	187,376,188.00
Total	$401,530,799.50
Increase in 1918	$6,377,757.50

The large increase represented in the value of live stock in these figures is due to a considerable extent to high prices for meat animals but is partly due to a decided increase in all kinds of breeding enterprises in all classes of stock. Pure-bred interests have made satisfactory progress, more particularly with respect to cattle. Dairy products have increased in spite of high labor and high prices for concentrated feed. Wool has increased in quantity not less than 25 per cent. Such feed crops as potatoes have increased in acreage but last year decreased in yield. The potato crop will scarcely be sufficient for local needs. The total figures relative to various agricultural interests for the past year are given in the table at top of page.

Steps Taken to Meet Labor Shortage.

There has been practically no difficulty in meeting the demand for labor. Farmers have been more or less prepared for shortages in labor during the whole period of the war and with the operation of conscription it might have been expected that conditions would be extremely bad last year. Individual cases were rather hard but a considerable introduction of tractors in parts of the province helped to some extent to meet the scarcity of men. The haying and harvest were not as heavy as usual and much grain that had been sown to reap was cut for green feed after being frosted and much of it in the south was never cut at all but was used for pasture. Consequently the labor required for harvesting and thrashing was not as great as usual. The harvesting weather was likewise highly favorable. The operation of the Central Labor Bureau in five branches made the movement of labor fairly simple.

The Dominion Dairy Conference, which met in Ottawa, decided to memorialize the government to release as soon as possible all soldiers in any way connected with the dairy industry, owing to the shortage of labor in this particular industry, and a resolution was unanimously adopted urging the government to rescind the order permitting the sale of or manufacture of oleomargerine in Canada.

Index to Statistics, The Monetary Times, January 3rd, 1919

BANKING.

	PAGE
Amalgamations, Canadian Bank	58
Bank Advances to Municipalities	39
Bank Branches, Where They are Situated	68
Bank Clearings	52
Bond Sales in 1918	48
Building Permits in 1918	56
Canada's Trade Balance	66
Canadian Bank Amalgamations	58
Canadian Bank Clearing Houses	68
Clearing Houses, Canadian Bank	68
Clearings, Bank	52
Current Loans in Canada	41
Exchange Quotations, Record of	42
Fire Losses for 1918	56
Large Banks of the World	40
Loans in Canada, Current	41
Money and Circulation in Canada	37
Municipalities, Bank Advances to	39
Net Profits and Dividends of Canada's Banks	62
Record of Exchange Quotations	42
Trade Balance, Canada's	66
Twelve Months' Bank Figures (Compared)	34
When Our Banks Commenced Business	31

INVESTMENT.

Analysis of Leading Stock Issues	107
Balance, Canada's Trade	66
Bond Review and Outlook	160
Bond Sales in 1918	48
Bond Sales in United States	49
Commercial Balance Sheet, Canada's	168
Government Bond Sales	48
Edmonton Civic Utilities	148
Electric Railways of Canada	106
Financial Values, Comparative Table of	87
Homestead Entries in Canada	97
Immigration to Canada	97
Incorporations in 1918, New	95
Municipal Bond Sales	48
National Resources and Debt	99

INVESTMENT—(Continued).

	PAGE
National Wealth and Income of Canada	19
New Incorporations in 1918	95
Notable Prospectuses of the Year	138
Principal Ports of Canada	106
Prospectuses of the Year, Notable	138
Provincial Bond Sales	48
Saskatoon's Public Utilities	154
Steam Railways of Canada	104
Stock Exchange Sales in 1918	123
Stock Issues, Analysis of Leading	107
United States Investments in Canada	156
Utilities, Edmonton Civic	148
Utilities, Saskatoon's Public	154
Wealth and Income, National	19

INSURANCE.

Fatal Industrial Accidents in 1918	184
Fire Insurance Transacted in Canada	186
Fire Losses for 1918	56
Growth of Life Companies	206
Hail Insurance in Alberta	194
Leading Life Companies	188
Life Companies' War Loan Investments	204
Life Insurance Transacted in Canada	176
New Licenses Issued	198
Transacted in Canada, Fire	186
Transacted in Canada, Life	176
War Loan Investments of Life Companies	204

INDUSTRIAL.

Building Permits in 1918	56
Canadian Railroad Earnings	270
Cobalt Ore Shipments	264
Dividends and Bonuses of Ontario Mining Companies	120
Foreign Countries, Canada's Trade With	168
Grain Shipments from Port Arthur and Fort William	270
Mining in Northern Ontario	246
Permits in 1918, Building	56
Railroad Earnings, Canadian	270
Water Powers of Canada	261

CANADIAN RAILROAD EARNINGS

The following are the approximate gross earnings of Canada's transcontinental railroads.

	Canadian Pacific Railway			Grand Trunk Railway			Canadian Northern Railway		
Month	1917	1918	Increase + Decrease −	1917	1918	Increase + Decrease −	1917	1918	Increase + Decrease −
	$	$	$	$	$	$	$	$	$
January	9,941,000	10,570,000	+ 629,000	4,677,388	4,083,362	− 594,026	2,832,600	2,714,500	− 118,100
February	8,832,000	9,319,000	+ 487,000	3,853,006	3,541,381	− 311,625	2,358,600	2,691,000	+ 332,400
March	11,672,000	12,265,000	+ 593,000	5,002,237	5,259,280	+ 257,043	3,273,200	3,436,300	+ 163,100
April	12,036,000	13,007,000	+ 971,000	4,885,211	6,118,935	+1,233,724	3,315,500	3,958,100	+ 642,600
May	14,068,000	13,024,000	−1,044,000	5,856,603	6,557,318	+ 700,715	3,784,700	3,762,000	− 22,700
June	13,026,000	12,048,000	− 978,000	6,227,119	6,958,349	+ 731,230	4,048,600	4,031,100	− 17,500
July	12,746,000	12,099,000	− 647,000	6,001,780	7,093,472	+1,091,692	3,754,400	3,820,900	+ 66,500
August	12,023,000	12,713,000	+ 690,000	4,578,824	6,101,938	+1,523,114	3,405,200	3,933,300	+ 528,100
September	11,952,000	13,292,000	+1,340,000	4,462,621	6,346,525	+1,883,904	3,341,700	4,050,900	+ 709,200
October	14,592,000	15,513,000	+ 921,000	4,384,227	6,348,087	+1,963,860	3,941,600	5,175,000	+1,233,400
November	14,942,000	14,768,000	− 174,000	4,031,392	6,169,272	+2,137,880	4,050,200	4,679,500	+ 629,300
*December	12,927,000	15,092,000	+2,165,000	4,759,959	6,709,510	+1,949,551	3,273,200	5,128,200	+1,855,000

*Figures for end of December, 1918, estimated.

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