

PART I, SECTION (5). PRICES OF SECURITIES.

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SECTION (5)—PRICES OF SECURITIES.

CHAPTER I. INTRODUCTORY—SIGNIFICANCE OF VARIATIONS IN PRICES OF SECURITIES.

An examination of security prices side by side with commodity and other prices is necessary in an attempt to obtain a view of the general economic trend. Prices of shares on the stock exchange may be said to represent *the values currently attached to business enterprises as going concerns*, including intangible assets like goodwill as well as the many other factors that govern present and prospective profits.* A *raison d'être* of the stock exchange is, in fact, to assume certain risks that would otherwise fall on the industrial and trading classes, by shifting them to a class of brokers and speculators who make a profession of studying them.† Prominent among such risks are the expansion or contraction of credit and the general condition of the money market.‡

Kinds of Securities.

Stock exchange securities may be roughly classified under three heads: common stocks, preferred stocks, and bonds. The first and third of these are radically different. Bonds represent the interest of the creditor-class in the industrial world; stocks reflect the interest of the debtor class. The latter, therefore, tends to be buoyant in times of prosperity, when bonds usually decline. Preferred stocks have been defined as hybrids. Their priority of claim and lack of direct control over the management link them to bonds; at the same time their dependence on earnings renders them of the nature of common shares.‡

*But Mitchell (*Business Cycles*, 171) points out: "Whether the market prices of stocks in 100-share lots may be interpreted as showing accurately changes in the prices of the business enterprises concerned is highly questionable. If 1,000 shares in a railway which has 100,000 shares outstanding be sold at \$80 per share on a given day, it does not necessarily follow that the whole proprietary interest could be sold (or bought) for \$8,000,000. Indeed, it is seldom safe to infer the price for the total supply of any kind of goods from the current market price per unit. This fact is not troublesome in the case of commodities, labour, or loans because we are not interested in the prices of the total supply. But in the case of stocks we should like to know the changes in the prices at which enterprises as wholes could be bought outright. And that cannot be known except in the rare cases when such sales are actually made and the terms published. Hence we must content ourselves with taking the figures for what they are—prices of shares in business enterprises."

§"The business of stock exchange operators is to endeavour to forecast and discount in advance the natural fluctuations of intrinsic value."—F. W. Hirst, *The Stock Exchange*, p. 202.

†"Trade and money conditions are reflected through stock market conditions long before the average business man has grasped the significance of apparently ordinary circumstances which combine to determine the future course of trade."—T. Kelly Dickinson in *Montreal Herald*, Jan. 6, 1912.

Both commodity and security prices are affected frequently by the same general causes. Sometimes these general causes will act upon commodity prices through the medium of the Stock Exchange; often the security fluctuations will result from variations in commodity prices; whilst certain disturbing factors affect one kind of prices without modifying the other to any appreciable extent.

‡"Preferred shares are hybrids—a cross between common stocks and bonds. Preferred shareholders have a legal claim to dividends at a certain rate before the common shareholders are allowed any return. Often this prior right is cumulative—any deficiency in the preferred dividend for earlier years must be made good from later profits before dividends can be declared on the common stock. On the other hand, all of the dividends which remain after the preferred shareholders have received their allotted rate usually go to the common shareholders, so that the latter may receive a larger dividend than the former. Further, the right of voting for directors, and hence the control of the corporation, is frequently vested in the common shareholders alone. These differences between the two kinds of stocks give rise to differences in their price fluctuations. It is, therefore, desirable to keep the two kinds separate in an index number of stocks. But it is also desirable to determine the differentiating characteristics of the two sets of fluctuations, and to measure as nearly as may be the varying margin between them."

—W. C. Mitchell, *Journal of Political Economy*, XVIII, 513.

Security Markets.

"If the financial panorama of the old world and the new had to be studied from two centres only," says Mr. F. W. Hirst,† "there is no doubt that Lombard Street and Wall Street should be chosen." London with its unrivalled surplus of old and new wealth and with its long traditions of caution and responsibility is the world's capital for banking and investment. New York, the financial centre of the new world (which is still a borrower rather than a lender and which still offers the leading field for exploitation and adventure) is the "chosen home of speculation." France and Germany have important markets, but their influence is more removed from Canada. Canada is primarily a part of the system which is ruled from New York, though the influence of London is powerful, at times predominant. Of the two leading Canadian stock exchanges, it has been said that Montreal looks to New York while Toronto is strongly observant of London. Every stock exchange, of course, has its own list of securities and only a very few stocks are quoted simultaneously on the great exchanges of the world.*

Though the causes of price fluctuations in general are discussed in Part II, Section (1), an appreciation of the special significance of fluctuations in security prices is so important for the interpretation of the statistics of the present section that the remainder of this introduction is devoted to a brief statement on the point.§

Significance of Fluctuations in Security Prices.

The essential characteristic of a stock exchange security is that it is *interest-bearing*, either actually or potentially. The rate of interest it pays or promises to pay, together with the degree of safety of the principal invested in it, are the obvious and immediate determinators of its value.†

†*The Stock Exchange*, p. 242.

*"After the Stock Exchange of London, that of Paris stands next as an international factor, because, after London, Paris has the greatest amount of disposable capital both in the short and the long loan market. The annual overflow of British savings into foreign and colonial investments may now perhaps reach 200 millions sterling; the average overflow of French savings is perhaps a quarter of that sum. For their size, Holland and Belgium contribute freely. . . . Germany's wealth is probably increasing more rapidly than that of France, but its annual surplus is usually absorbed by the requirements of the Imperial and State Governments and of the municipalities, whose debts have been increasing at a prodigious rate, as well as by the demands of a trade which is largely carried on on credit. Hence it is that the great Stock Exchanges of Germany—Berlin, Hambourg and Frankfurt—are almost entirely concerned with imperial, state and municipal loans, with German bank-shares and German industrials. . . . Wall Street and the American market stand in magnificent isolation from the rest of the world, always excepting Canada and Mexico. . . . There is practically no foreign market on the New York Stock Exchange. British consols, German and Russian bonds, French rentes are unquoted because they are not wanted. Even the New York railway market is purely American with the exception of lines like the Canadian Pacific or the Mexican Group, which connect with the American system."—F. W. Hirst, *The Stock Exchange*, 76-92.

§Largely based on Giffen's *Stock Exchange Securities*.

†"Apart altogether from the causes which affect the prices of commodities as well as the prices of securities, the value of a security depends mainly upon a quality or attribute which a bale of cotton, or a ton of coal, or a suit of clothes, does not possess. It is either actually or potentially interest-bearing. While the intrinsic value of a coat or a pair of boots depends upon its warmth, fit, etc., the value of a security depends mainly upon (1) the rate of interest, (2) the safety of the principal, (3) the likelihood of the principal or the rate of interest either rising or falling. The quality of a good bond is security of a fixed rate of interest and security of principal. The quality of a good share is the probability that it will rise in value, and that the rate of interest or dividend will improve. Here, then, we have the main causes of a rise or fall in securities."—F. W. Hirst, *The Stock Exchange*, 199-201.

"In selecting investments the two important points to be kept in view are: (1) Will your capital be secure if placed in the proposed investment? and (2) What annual return will the investment yield on the capital invested? The first is immeasurably the more important of the two: but assuming you are satisfied as to security, you will naturally desire to have as high a rate of interest as possible. It is well, however, to remember that, as a rule, high interest means weak security." N. B. Gunn, *Stock Exchange Securities*, p. 8.

Thus security prices, like commodity prices, differ widely *inter se*. Stocks promising good dividends or showing probability of a rise in value will fetch high prices. Bond prices likewise reflect the rate and sureness of the interest yield and the safety of the principal. Suitability for international transmission and the marketability in general, as well as popularity for minor reasons, also assist in determining the rank which certain securities hold with reference to others. §

Causes of Fluctuations in Security Prices—(1) Commercial and Political Conditions.

We may accordingly classify the first series of causes affecting security prices under the heading of commercial and political conditions. Here the general rule is that trade prosperity by increasing the supply of capital for investment makes for stimulation and buoyancy, and trade depression for the opposite. A good harvest or even the prospect of it will send stocks up, § (though at the time of crop-moving prices may suffer from the withdrawal of funds). So with a general growth in population or a general increase in the wealth of a community: these from the stock-trading point of view are virtual promises for the continuance or increase in the future of the demand for goods and the continuance or increase of existing dividends. This, however, does not apply in the case of overproduction which by demoralizing commodity prices will tend to depress stocks.

It is, in fact, through the medium of commodity prices that trade conditions chiefly react on securities. Stock values depend on dividends, dividends on profits, and profits to a great extent on commodity prices. This is particularly true where the commodity involved is a raw material. The rubber share boom of 1910, for instance, was a direct result of the advancing price of rubber.

The effect of commodity prices on bonds is exactly the opposite of their effect on stocks. Bond prices vary inversely as the price of commodities because with every increase in the cost of living the purchasing power of the yield is reduced. Thus the increase in the cost of living in recent years has been accompanied by an advance in the rates of interest demanded by bond sellers. Long-time bonds with a fixed rate of yield have declined in price.*

§Giffen may be quoted on this point (*Stock Exchange Securities*, Chaps. III and IX): "As all know, the prices of securities relatively to each other vary much, and they are likely, as human nature is constituted, to vary much. Some are in larger bulk, and for that or for other reasons are more marketable. The yield of some is better secured, or thought to be better secured, than others. These are all causes for indefinite variations in the prices of individual securities. . . . The most valuable additional quality fitting an article for a good market, besides the capability of easy definition and subdivision, appears to be mass. A stock to be highly marketable, and even to make it safe to have dealings in it, must be large enough to make it worth the while of a great number of people to be interested in it. A dealer in a small stock can never be quite sure against being cornered; while as the market must be limited it is equally unsafe to calculate on being able to borrow on it. Hence the suitability of a great mass of stock like consols or French rentes for the operations of a great market. *Ceteris paribus* such stocks will stand higher than very similar stocks which are not in such masses. . . . The estimation of the public may be guided to some extent in favouring some securities more than others by qualities unconnected with the solidity of the income or mere marketability. Securities, for instance, may be used, and are used, as a *quasi* money, or in place of foreign bills of exchange. A merchant or banker in London having money to pay in Paris may effect his purpose quite as well by buying in London French Rentes or some other security negotiable on the Paris Bourse, and then reselling what he has bought in Paris. Instead of sending a bill of exchange to Paris he sends a bond of the French or some other government, or the obligations of shares of a railway company, like the Lombardo-Venetian railway. At times very considerable transactions of this nature do in fact take place."

§In general, but especially those of trunk lines and other enterprises directly concerned in the handling of the grain.

*See Chapter IV of present section; also next following section.

Irving Fisher (*Purchasing Power of Money*, 187) mentions stocks as the most adjustable and bonds as one of the least adjustable of properties. He adds: "Where bonds and stocks have been issued in connection with the same firm the stocks will not only follow the general movement which all adjustable elements follow, but also must conform to a special adjustment to make up for the rigid non-adjustability of the bonds associated with them."

Under the heading of political conditions, restrictive legislation, legal decisions, etc., come into play. Restrictive legislation will naturally create a change in the investor's sense of security, and this will be reflected in stock prices. Legal action directed towards a particular concern will often be productive of change in the prices of its securities. Bonds not strictly high grade will be subject to the same influences as stocks, though their fluctuations will probably be less violent. First class bonds will not be affected, but on account of their dependence on the money market will be likely to decline in times of booming trade and rising stock prices.

(2) Conditions Peculiar to Stocks and the Stock Exchange.

Many of the factors thus far mentioned make for independence or dispersion of prices among securities. But the pre-eminent characteristic of security prices is their tendency to move together and their general sensitiveness to conditions of all sorts, commercial, financial and political—local and worldwide. Though a particular influence may directly affect only a single security, the tendency, like that of a stone thrown into water, is to change the level everywhere. One stock or group of stocks responds at once to a rise or fall in another. One stock market responds almost immediately to a rise or fall on another exchange, and particularly to a change in the money markets of the world. Local conditions, of course, play a part, and Canadian conditions generally are reflected primarily on the Canadian exchanges. On the whole, however, differentiation in security prices as between different groups and countries is less strongly marked than in the case of commodity prices. A few large money markets and stock exchanges practically control the other exchanges of the world so that extensive manipulation of markets outside of these is practically unknown, notwithstanding that the markets remain completely independent.† The explanation is to be sought in certain features which are peculiar to stocks and the stock exchange.

One of these features is the keenness of competition in the stock market, and the prompt and extensive advertising of quotations.* But a more potent factor is the divisibility of securities which enables owners to realize upon them in whole or in part as they may see fit.‡ It is this last characteristic that renders the security market the field *par excellence* for speculation and thus assists the stock market to become, as above hinted, a "shock absorber" to trade and industry.

† "The sympathy between securities, notwithstanding the distinctions between them, appears thus the more extended and to have more and more important consequences the more we look into relations. They are acted on by special influences of every description, but there are constant forces at work to restore an equilibrium based on a clear appreciation of their relative intrinsic qualities. There can be no doubt also that where general causes affect first a particular security or group of securities, the ready sympathy between all secures the quickly diffused operation of such general causes. Hence in part the simultaneous movements in many securities which cannot but strike observers as one of the remarkable characteristics of the Stock Exchange."—Giffen, *Stock Exchange Securities*, 101.

* "The publicity of its quotations is only matched by the rapidity with which they are circulated to the most distant towns of the American continent. This is all due to the tape machine, called the 'ticker', an American invention which has been developed in an extraordinary way during the last thirty years. . . . Certainly this invention is the grand cause of the expansion of speculative business."—F. W. Hirst, *The Stock Exchange*, 111-2.

‡ "The combination of interest-bearing power with the facility of being handled like gold or cotton makes a Stock Exchange article a thing *sui generis*, whose fluctuations in price will conform to an order of their own which can be traced, although in doing so it will of course be necessary to bring out much that is common to them with other articles."—Giffen, *Stock Exchange Securities*, 4.

Speculation is thus a necessary element in nearly all stock exchange business. Legitimate up to a certain point,** it frequently degenerates into gambling even in the case of the best securities. We have thus the more or less constant opposition of speculative and real values.† Another evil is over-borrowing and its product panic. A rise in interest will usually curb undue speculation: frequently, however, the speculation which accompanies a rising market may persist in the face of the higher money rates, though, of course, cheap money does not invariably induce speculation. It may be added that the operations of speculators may mitigate a panic after its first stages on account of the constant opposition between opposing sets of speculators.*

(3) Conditions in the Money Market.

But the most important conditions affecting security prices are those of the money market. The great mass of stock transactions are carried on with borrowed money.§ The rate of interest, accordingly, has a bearing on stock and bond prices to a degree that has no parallel in the case of commodity prices.††

**"The majority of speculators probably lose more money than they make, but if they choose to indulge in this expensive form of amusement it is not their banker's business to interfere with it, and during the course of the process they are unconsciously rendering a financial service by promoting the freedom of markets and facilitating dealings in securities."—Hartley Withers, *The Meaning of Money*, 132 and 133.

†Groups of speculators, known as syndicates, often combine to force prices in one direction or the other. Misleading newspaper articles, false reports regarding values, fictitious dealings, etc., are made use of to influence public opinion, the hope being to attract the investment money of the minor speculators. Such manoeuvres are termed 'rigs'. The more famed 'corner' offers an incident in the working of a 'rig'. Though violent fluctuations in one or a few securities may result of such operations, no syndicate can have much influence on general security prices. Disclosures of such operations may have a depressing effect upon all stocks for the time, but in the end securities of real worth will usually benefit. On this point Sir Robert Giffen (*Stock Exchange Securities*, pp. 59-60) says: "At certain times, when securities all tend to rise, the syndicate and speculators have some power to concentrate the force of the upward current on one or two groups of old or newly-created securities. At other times, when securities all tend to fall, they have a certain power of inducing sales of special securities and so precipitating their collapse. But their power is exercised at great risks to themselves, does not upset any general laws, and does not interfere with the general levels of prices, which these laws tend to establish at different times."

*"For the purposes of scientific analysis we may rest our theory of Stock Exchange quotations upon a distinction between prices and values. Prices are temporary: they shift rapidly; values are intrinsic: they move slowly. The price represents the momentary market view of a stock or bond—what you can get for it on the Exchange if you instruct your broker to sell. The value is the real worth—a thing undefinable and impossible to ascertain. If the real value were ascertainable and available to the public then the price and value would be identical, and in the case of gilt-edged securities we may say that price and value are as nearly as possible identical. For intrinsic values do not change, like everything else in this world. They may be said, in the case of bonds and preference stocks to depend mainly upon: (1) the rate of interest, and (2) the margin of surplus earning power, or revenue. . . . This may help the outsider to realize why for days, weeks, and sometimes for months, prices may represent manipulation rather than intrinsic value."—F. W. Hirst, *The Stock Exchange*, 208-211.

§"The constitution of the Stock Exchange is such that as a rule a great many transactions are entered into with borrowed money. . . . The solid nature of many of the securities, their slight liability to any great change in market price within short limits of time, their stable earning power, even if the market price should change, combine to enable the dealers on the Stock Exchange, on occasion, to borrow much more in proportion to their own capital than could be done in any other business."—Giffen's *Stock Exchange Securities*, 71.

††Whatever be the relationship of gold to the money market, the money market certainly has a far greater effect upon the prices of securities than upon the prices of commodities. For speculative buying and selling affect nearly all classes of stocks and shares; and gilt edged securities, which can be sold at a moment's notice, are always in demand when money is unlendable in the short loan market. At such a time capitalists who lend in this market are apt to buy consols and kindred securities, keeping them until money and discount rates rise. Thus consols tend to rise owing to professional buying, when money is cheap, and to fall owing to professional selling, when money becomes dearer. There is, therefore, a real connection between the price of consols and the bank rate; and when the consol market hears

Interest rates in turn are a matter of the supply of and demand for money. When money is plentiful, interest falls, stock-trading is encouraged, and the prices of stocks rise, (bond prices for reasons already explained varying inversely). When the money market "tightens", the opposite happens. Thus any large withdrawal of money from the investment field—for crop-moving, the establishment of industries, etc.—will normally be reflected in stocks far more promptly and powerfully than in the values of other investments in which the speculative elements are less important. Among stocks themselves the more speculative will react the first. But when outlets for capital diminish, the tendency is to cause a rise in stock prices, first among the less speculative but later all along the line. It is to be remembered, of course, that the money available for general investment purposes is not necessarily a gauge of what is available for stock transactions. In such matters, moreover, the interplay of forces is most complex. It frequently happens that when interest is low and stock prices high, first class bonds may (contrary to the above) develop a tendency also to improve, because of purchases by capitalists with the idea of holding till the money rate rises. So likewise during a fall in stock prices, money is frequently withdrawn from the market for the purchase of the very securities which had been held by the borrowers—the effect of which is at once to mitigate the decline. When high interest rates increase operating costs, the tendency is to create conditions favouring a decline in stock prices.*

The state of credit, therefore, is reflected very closely in the prices of securities. When credit is expansive, prices will rise. The rise, however, carries the seeds of its own cure in the fact that high priced stocks require more money to handle, this affecting interest rates through banking reserves and tending to cause a downward movement.†

Two points in this connection must be kept clear: (1) The supply of money must not be confused with the gold supply. The general problem of the effect

of a probable or actual rise in the bank rate it usually anticipates this sequence and makes consols a fraction lower. And as a general rule a rise in the bank rate (by enhancing the charges for borrowed money) acts in restraint of speculation, not only in stocks and shares, but also in grain, cotton, copper, rubber, iron, tin and other commodities which lend themselves to speculation in futures.—F. W. Hirst, *The Stock Exchange*, 198-199.

This does not mean that security prices invariably and immediately follow interest,—as Giffen points out: "It must not be supposed that every sudden change in the hire of money in the short loan market will be accompanied by corresponding changes in the price of securities. There is a close connection indeed between the short loan market and the speculation in securities. The funds of the short loan market are employed partly in holding securities, and where these funds are diminished or increased from any cause, however temporary, there is an immediate effect on the price of some securities. But the great mass of securities will only be affected by more permanent changes in the rates obtainable for money in other markets."—Giffen, *Stock Exchange Securities*, 18.

*"A general rise of prices means a greatly diminished value of securities to the purchasers of them, and a premium on the creation of new securities; a general fall, the greatly increased real value of such securities, even if they have nominally fallen. A general rise also requires more money or credit, or both, to support it, but creates a state of things in which money disappears from the reserves of banks where it is required to support credit, and in which for this and other reasons the maximum of good credit is likely to be overstepped. Apart, therefore, from the mechanism of markets, and the particular modes in which changes of prices are brought about, there is an inherent difficulty in extreme changes of general prices. They imply a change in so much besides, if they are to be maintained, that we may be morally certain they will not be maintained."—Giffen, *Stock Exchange Securities*, 32-33.

†The demand for bonds and gilt-edged securities would seem to keep fairly steady. In times of falling stock prices it might increase slightly. And when stock values are improved, some of the funds would probably be withdrawn from the bond investments to seek higher yields. An instance of the steadiness of the demand is seen at the time of British borrowings to meet the expenses of the Boer War. "When the British Government issued more than 150 millions of consols and exchequer bonds, and treasury bills, the price of consols fell heavily; and when the war was over it was found that the proportion by which the national debt had increased corresponded almost exactly with the proportion by which the price of consols had fallen, showing that the public demand for gilt-edged securities had remained fairly constant."—F. W. Hirst, *The Stock Exchange*, 188.

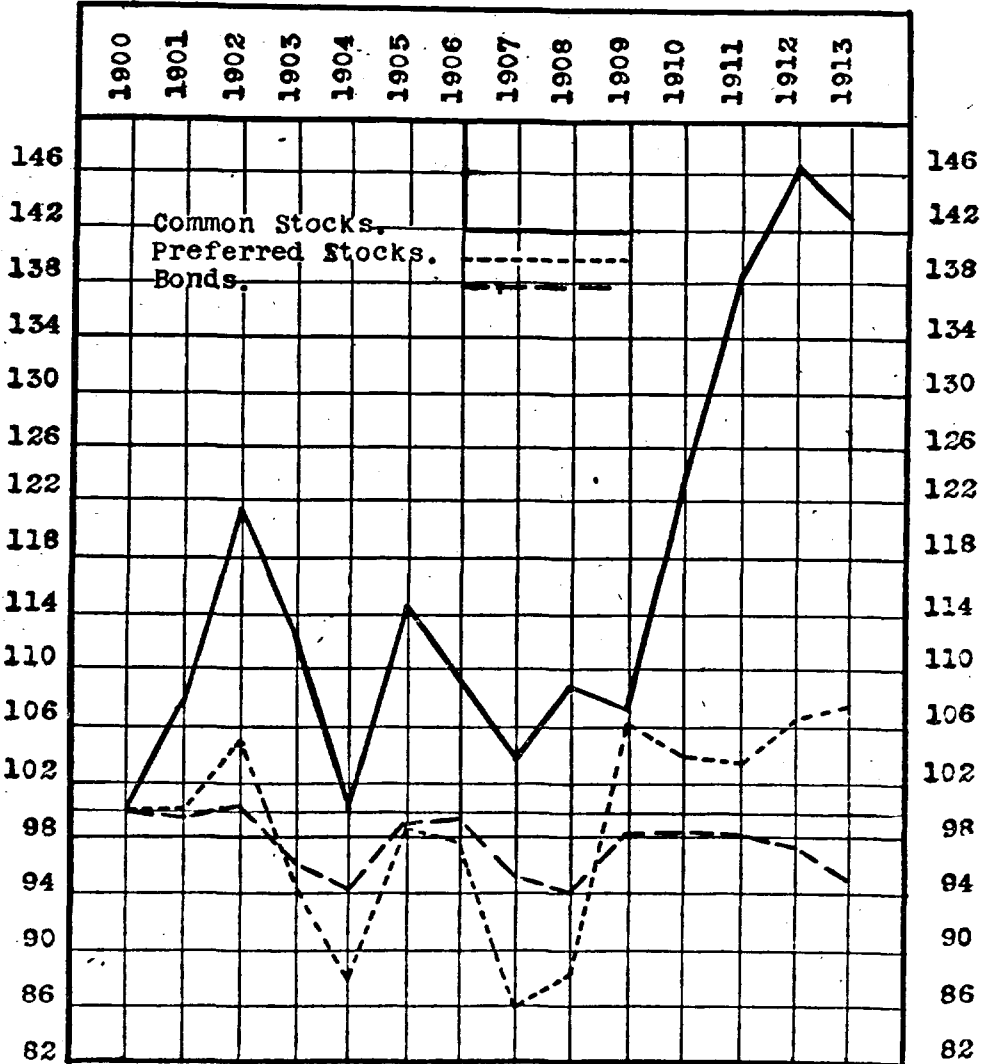
of gold production on prices of commodities is discussed in Part II, Section 1. The relation between the gold supply and the prices of securities is, as Mr. Hirst points out, § another question. (2) In connection with the term "interest" the rate is, of course, that of the market for short loans.*

§ "Except in countries with a silver standard, or in those unhappy communities which are at the mercy of an inconvertible paper currency, prices mean gold prices. Hence a great increase in the production of gold tends to reduce its purchasing power and so to raise prices, while a great diminution in the output tends to increase the purchasing power and so to lower the general level of prices. But in the case of interest-bearing securities this factor is almost negligible; for the value of the security depends primarily upon the rate of interest which it bears, and the rate of interest has no real connection with the relation between the quantity of gold in the world and the quantity of securities. Roughly speaking, the yield of consols was much the same (about 3 per cent) in 1750, in 1850, and in 1910; but, of course, the output of gold and the relation between gold and securities, or gold and silver, or gold and credit were so entirely different at the three dates that no scientific mind would dream of attempting to bring these things into comparison. The fluctuations of the Bank of England's gold reserve are a barometer of the London money market, and gilt-edged securities naturally tend to fall when the short loan and discount rates rise. But the price, or purchasing power, of gold has no connection with the price of money or credit. Money may become dearer while the output of gold diminishes, or cheaper while it increases."—F. W. Hirst, *The Stock Exchange*, 190-191.

* Sir Robert Giffen (*Statistics*, 1898-1900, p. 297) defines it thus: "What the banks charge for loans to leading members of the Stock Exchange upon securities is one thing; what is charged on the Stock Exchange itself to the miscellaneous customers of the Stock Exchange is another thing. The latter as a rule, in Stock Exchange transactions, are charged in the form of what are called contangoes, the dealer who lends the money buying stock from the borrower on one account day for cash, and selling to the borrower for settlement on the following account day at a higher price, the difference representing the charge made for the loan of the money involved in the interval. The miscellaneous rates charged to the customers on the Stock Exchange are frequently very high, indeed. The business, however, where high rates are charged, is of course speculative and risky."

THE COURSE OF COMMON STOCKS, PREFERRED STOCKS AND INDUSTRIAL BONDS, CANADA, 1900-1913.

(Prices in 1900 = 100.)



CHAPTER II.—PRICES OF SECURITIES, CANADA, 1900-1913.

The purpose of the present section is to measure for the period 1900-1913, the fluctuations which have taken place in the prices of Canadian securities, including (1) common stocks; (2) preferred stocks, and (3) bonds.

Monthly quotations of a selected list under each of the above headings were secured as the basic data of the review; these will be found in the series of tables beginning page 625. The final results have been expressed in the form of index numbers, with the year 1900 as base. Before presenting these results an explanation in more detail as to the scope of the enquiry and the methods followed is necessary.

Scope and Method of the Enquiry.

General Scope.—Altogether the record covers 57 common stocks, including the following classes: banks; industrials; land, loan, mortgage and savings companies; light and power companies; navigation; rails; electric railways; telegraph, telephone and cable; and trust companies. Nine preferred stocks are quoted. Bonds are represented by 13 industrials.

The inquiry has been made on as wide a scale as the information available permitted. To be of service for such a record, the market for each security should have been active and the activity extended over the entire period under review. Such a series of quotations, however, it has been difficult to secure, especially for stocks representing the industrial group, where reorganizations and amalgamations have followed fast upon each other, rendering it impossible in most cases to obtain continuous figures.

No reference has been made to stocks not listed on the exchanges. A large proportion of the trading in stocks and bonds in Canada is in unlisted securities, but it is difficult to obtain any adequate record of prices.

The quotations in every case are of sales on either the Toronto or the Montreal Stock Exchange. Where a stock is listed on both exchanges prices have been taken from the exchange on which sales of the stock in question were generally larger. As a rule variations in prices between the two exchanges are unimportant.*

Sources.—The authority used for all prices of stocks and of industrial bonds has been the *Annual Financial Review* published yearly since 1901 by the secretary of the Toronto Stock Exchange. In other cases the data has been secured from official records.

Method of Quoting Prices.—In arriving at averages of stock prices, account should be taken, strictly speaking, of the number of sales at the various quotations. The task of computing such details, however, would be exceedingly great. The method here followed is the usual one of taking the average of the high and

*Exchanges exist at Winnipeg, Vancouver and Victoria, but they are of recent establishment, the oldest (Winnipeg) having been incorporated only in 1909. Tables showing the extent of trading on the Montreal and Toronto Exchanges appear in Note I, page 684. The annual sales for each stock are noted in the large table of monthly quotations.

low quotations for each month. Often, no doubt, the sales at either the low or the high extremes represent but a small proportion of the total, but the method should indicate fairly well how prices have varied.

Index Numbers.—The index numbers, which as above stated are on the basis of 1900, are unweighted, (except in the case of the final numbers for common stocks which is weighted according to group sales) and represent arithmetical averages. On two points raised by the paucity of the data an explanation is necessary: (1). In a number of instances quotations were not available as far back as 1900. Certain corporations whose stocks are quoted were not in existence at that time; the stocks of others had not been listed. In order to include these in the general statement it has been assumed that their fluctuations in the missing years would correspond in degree with those of other stocks in the same groups. (2). A similar difficulty was experienced in the case of a few important securities which were withdrawn from the stock exchanges in the later years of the period. Here the rates of fluctuation of companion stocks were ascertained, and figures on the same basis interpolated for the retired stocks.

The following is a more detailed account of the inquiry with a summary of the results under the three headings: (1) Common Stocks, (2) Preferred Stocks, and, (3) Industrial Bonds.

The General Result—(1) Common Stocks.

Fifty-seven common stocks are included in the enquiry, classified as follows:—

Banks	16
Industrials	8
Land, Loan, Mortgage and Savings	11
Light and Power	4
Navigation	4
Rails	1
Electric Railways	8
Telegraph, Telephone and Cable	3
Trust Companies	2

All the active stocks for which quotations approximately complete could be obtained from 1900, or from a period not later than 1905, have been included. Assurance companies and mining companies have been omitted, the former because the number of sales has been very small and the quotations scanty, the latter as a type of investment radically different in character from other securities and whose fluctuations obey quite other influences. The detailed figures will be found in Table I, beginning page 625.

The group index numbers which sum up the results of the investigation are as follows:

TABLE II.—INDEX NUMBERS OF PRICES OF COMMON STOCKS, 1900-1913.

(Prices in 1900=100.)

	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Banks	102.5	106.5	108.1	105.9	111.5	115.9	109.2	104.9	109.8	111.9	114.1	114.8	109.6
Industrials	100.5	107.3	82.2	66.9	73.4	80.6	71.2	68.8	90.4	105.4	112.4	117.6	107.9
Land, Loan Mtge. and Saving	112.7	113.6	113.8	114.0	120.2	123.8	121.8	121.4	134.7	139.7	142.2	147.9	150.7
Light & Power	102.5	105.8	95.9	94.0	102.8	105.0	92.5	97.6	111.2	116.0	127.8	144.9	131.3
Navigation	106.6	124.9	105.4	80.0	84.9	98.8	89.7	90.8	101.2	100.4	108.5	118.9	116.9
Rails (C.P.R.)	113.1	140.4	137.0	133.5	169.5	187.9	184.3	178.8	196.2	205.6	250.6	280.4	249.2
Electric Rys.	109.4	122.5	110.5	106.1	134.4	140.8	118.3	115.9	133.7	137.7	153.9	167.6	161.9
Telegraph, Tel. & Cable	99.5	97.1	92.2	91.2	94.1	93.6	86.2	79.9	85.9	85.5	81.6	86.4	82.1
Trust Cos.,	104.1	109.0	107.3	107.5	108.0	111.5	109.6	104.5	121.6	133.3	137.9	144.2	148.5

§For instance, in the group of Industrials, Nova Scotia Steel and Coal was first listed in 1902. Its average price during that year was 102. The average rate of increase of all other industrials for 1902 over 1900 was 10 per cent. 102 was therefore regarded as equal to 110 per cent of the 1900 value.

Averaging the fifty-seven index numbers included in the above the following is obtained:

1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
100	105.7	111.8	104.9	99.7	108.6	113.9	105.2	103.0	115.6	120.4	127.2	133.8	128.9

This is, of course, an unweighted result. To weight each stock according to sales would be laborious, but it is interesting to note the effect of applying a system of group weights. The figures of sales given elsewhere (page 684) permit of this*, with the following result:

1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
100	107.8	121.5	112.7	100.5	115.1	.....	103.9	108.9	107.4	123.5	139.2	146.7	143.2

The latter result is doubtless the best statistical measurement obtainable of the course of common stocks since 1900. It will be seen that prices rose

*Annual sales in each group on the Toronto and Montreal exchanges were added together and the results made the basis of the following table of fluctuating weights:

	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Banks	4	2	3	4	4	.....	5	3	1	2	2	3	3
Industrials	9	35	21	23	23	.....	23	20	57	39	35	40	37
L.L.M. & S.	6	4	7	7	6	.....	10	14	2	2	6	5	4
Light & Power ..	18	1	1	4	4	.....	5	13	10	12	13	15	9
Navigation	2	3	5	2	4	.....	1	1	1	1	3	2	2
Rails	24	32	33	20	13	.....	3	12	5	5	7	7	10
Electric Rys.	33	20	27	29	34	.....	41	29	20	36	33	25	32
Telegraph, etc. ..	3	2	2	11	12	.....	12	8	4	3	1	2	2
Trusts	1	1	1	0	0	.....	0	0	0	0	0	1	1
	100	100	100	100	100	.....	100	100	100	100	100	100	100

Sales for the years 1900 and 1906 were not obtainable.

sharply in 1900-2, fell in 1903-4, recovered and rose still higher in 1905-6, broke violently again in 1907-8, and in 1909 entered upon an upward movement which by 1912 had carried them far beyond any previous record of the decade. There was a recession in 1913, but the level was still higher than in any year except 1912. A more detailed analysis of the movement by groups and individual stocks follows, but those who are interested only in its broader features may turn at once to page 616 where a summary by years is given.

Review by Groups.

Banks.—Of the twenty-four Canadian banks, seven¹ began operations in the past decade (the stocks of four² not being listed), and the stock of one other³ was not traded in for several years. The present review covers the stocks of the sixteen⁴ remaining.

In Tables III and IV are shown, first, the average annual prices of the several stocks, and second, the same reduced to index numbers on the basis prices in 1900=100.

As already pointed out, the rise in bank stocks has been comparatively slight. In 1913 they were only 9.6 per cent higher than in 1900, though in the meantime they had been 15.9 points up in 1906,⁵ and 14.8 points up in 1912. The diagram on page 606 shows the record at a glance.

Referring to the individual stocks, it will be seen that three (Montreal, Dominion and Toronto) have actually decreased in price. One of these (Montreal) was particularly high in 1900. Three other bank stocks brought the same price in 1913 as in 1900. The increases shown amount to four, eight, fourteen, fifteen, sixteen, twenty, twenty-eight, thirty-three, and forty-one per cent respectively.

The conservative movement of Canadian Bank stocks reflects their non-speculative character, due in turn to a variety of circumstances, including the double liability of shareholders (which discourages purchase on margin), the secrecy practised by the banks with regard to important projects⁶, the comparative certainty as well as the steadiness of dividends,⁷ etc., etc.

¹Banque Provincial du Canada; Metropolitan Bank; Home Bank of Canada; Northern Crown Bank; Sterling Bank of Canada; Bank of Vancouver; Weyburn Security Bank.

²Home Bank of Canada; Northern Crown Bank; Sterling Bank of Canada; Bank Provincial du Canada.

³Banque Nationale.

⁴Bank of Montreal; Quebec Bank; Bank of Nova Scotia; Bank of British North America; Bank of Toronto; Molsens Bank; Merchants Bank of Canada; Union Bank of Canada; Canadian Bank of Commerce; Royal Bank of Canada; Dominion Bank; Bank of Hamilton; Standard Bank of Canada; Banque d'Hochelega; Bank of Ottawa; Imperial Bank of Canada.

⁵Several amalgamation of banks have been effected without affecting stock prices.

⁶The large "rest" funds of the banks contribute to this.

TABLE III.—BANKS.—AVERAGE PRICES OF COMMON STOCKS, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
British N. America..	130.2	129.2	134.0	134.0	129.8	139.1	143.5	151.5	144.4	151.7	148.8	149.9	153.4	151.0
Commerce..	148.8	154.2	158.1	159.8	154.5	166.6	178.8	169.0	161.0	181.4	205.2	212.7	221.3	209.4
Dominion...	247.8	240.3	244.4	235.9	232.3	256.7	271.3	234.8	228.2	241.5	239.8	232.4	229.1	222.3
Hamilton...	188.3	215.8	231.7	222.7	209.9	219.3	222.9	201.1	191.1	202.6	201.3	202.4	202.8	203.8
Hochelaga...	135.6	138.6	137.8	131.8	134.4	137.5	154.5	145.6	137.8	144.3	145.7	168.4	168.9	155.0
Imperial...	215.6	230.0	238.4	229.7	221.4	235.2	238.6	217.7	217.5	229.3	228.0	226.1	224.8	214.6
Merchants...	157.7	155.0	153.9	160.8	156.7	166.0	169.5	161.3	156.7	164.5	180.7	193.3	194.5	189.0
Molsons....	188.3	201.0	212.8	202.4	205.4	226.5	224.5	201.7	197.7	204.3	208.1	207.3	207.0	196.2
Montreal...	257.9	258.0	260.4	254.6	248.2	256.8	256.8	243.3	235.6	250.1	250.2	253.1	248.1	234.0
Nova Scotia	225.5	231.9	252.0	273.1	266.0	267.7	283.5	283.5	279.0	280.8	280.4	275.1	259.1	259.1
Ottawa.....	205.0	204.0	216.9	215.8	213.0	221.1	227.0	219.2	204.5	208.5	208.7	208.6	209.4	205.9
Quebec.....	124.1	116.0	116.5	119.5	124.9	134.1	142.2	133.0	123.5	123.6	125.1	137.1	134.6	123.9
Royal.....	.....	175.0	.....	212.9	205.1	216.8	232.5	229.9	220.6	226.0	237.5	238.3	227.8	220.1
Standard...	201.4	231.8	243.6	247.7	232.6	232.6	238.3	219.3	219.0	229.4	226.3	223.5	229.3	216.6
Toronto....	238.0	238.8	242.8	238.3	228.0	237.5	237.4	216.8	209.8	219.6	214.9	210.3	209.5	205.6
Union.....	107.8	105.4	117.9	133.7	133.8	144.0	152.4	139.4	129.0	135.0	144.3	149.2	156.8	143.3

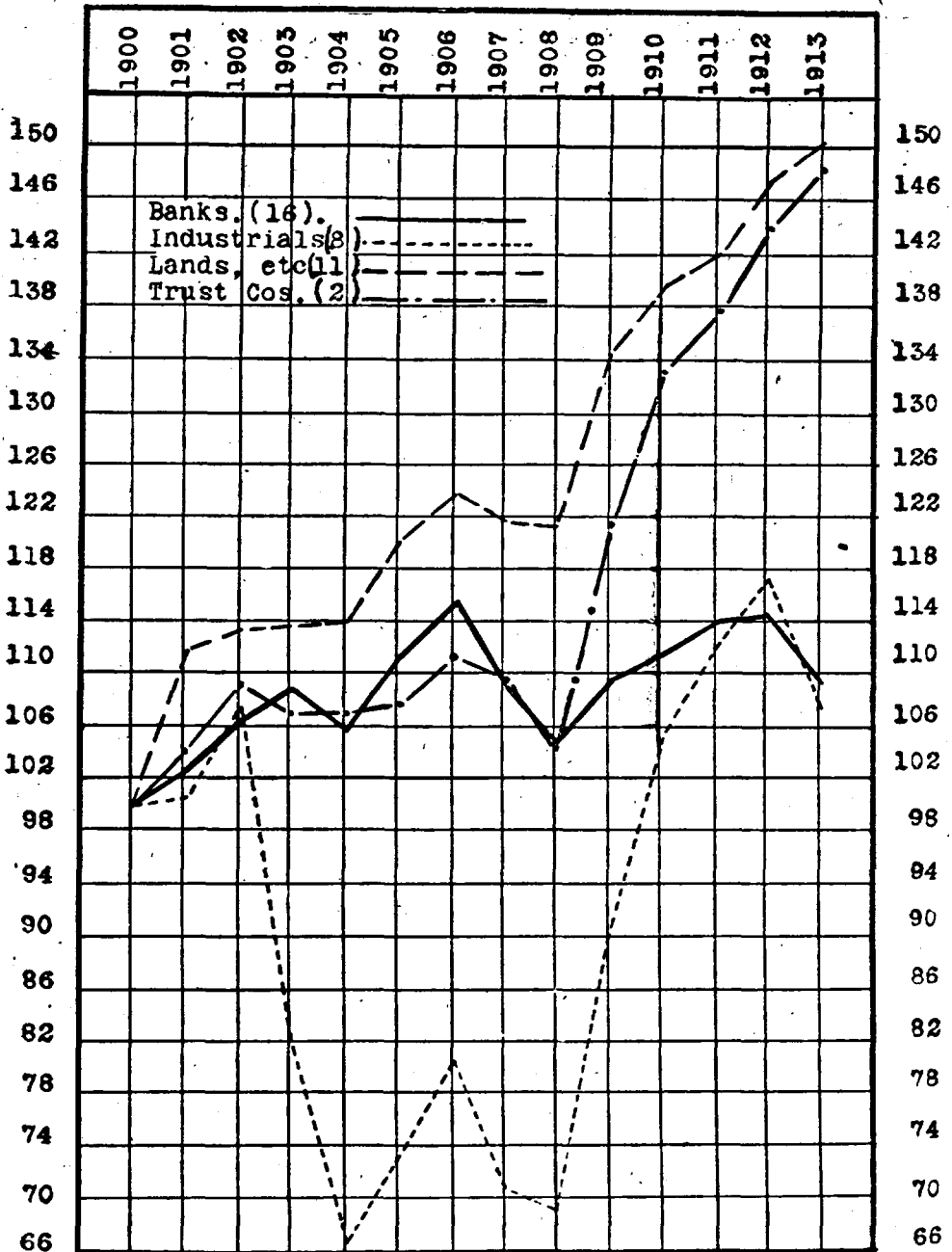
TABLE IV.—BANKS—INDEX NUMBERS OF PRICES OF COMMON STOCKS, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
British N. America..	100	99.2	102.9	102.9	99.7	106.8	110.2	116.4	110.9	116.9	114.3	115.1	117.8	115.9
Commerce..	100	103.6	106.2	107.4	103.8	111.9	120.2	113.6	108.2	121.9	137.9	142.9	148.7	140.7
Dominion...	100	97.1	98.8	95.4	93.9	103.6	109.5	94.5	92.2	97.6	96.9	93.9	92.6	89.7
Hamilton...	100	114.6	123.0	118.3	111.4	116.7	118.3	106.8	101.5	107.6	106.9	107.4	107.7	108.2
Hochelaga...	100	102.2	101.6	97.2	99.1	101.4	113.9	107.3	101.6	106.4	105.4	124.1	124.5	114.3
Imperial...	100	106.7	110.6	106.5	102.6	109.1	110.6	100.9	100.8	106.5	105.7	104.9	104.3	99.5
Merchants...	100	98.3	97.6	101.9	99.4	105.2	107.4	102.3	99.4	104.3	114.5	122.5	123.3	119.8
Molsons....	100	106.7	113.0	107.5	109.1	120.3	119.2	107.2	104.9	108.5	110.5	110.1	109.9	104.1
Montreal...	100	100.1	100.9	98.7	96.2	99.5	99.5	94.3	91.4	96.9	97.0	98.1	96.2	90.7
Nova Scotia	100	102.8	111.7	121.1	117.9	118.7	125.7	125.7	123.7	124.5	124.3	121.9	120.0	111.8
Ottawa.....	100	99.5	105.8	105.2	103.9	107.8	110.7	106.9	99.7	101.7	101.8	101.7	102.0	100.4
Quebec.....	100	93.4	93.8	96.3	100.6	108.0	114.5	107.2	99.5	99.7	100.8	110.4	108.4	99.8
Royal.....	.....	102.5	.....	124.7	120.1	127.0	136.2	134.6	129.2	132.3	139.1	139.6	133.4	128.9
Standard...	100	115.1	120.9	122.9	115.4	115.4	118.3	108.8	108.1	113.9	112.4	110.9	113.8	107.5
Toronto....	100	100.3	102.0	100.1	95.8	99.8	99.7	91.1	88.1	92.3	90.3	88.4	88.0	86.4
Union.....	100	97.7	109.3	124.0	124.1	133.5	141.3	129.3	119.6	125.2	133.8	138.4	145.5	132.9
All.....	100	102.5	106.5	108.1	105.9	111.5	115.9	109.2	104.9	109.8	111.9	114.1	114.8	109.6

Industrials.—The merger movement of the past decade, which resulted in the withdrawal of several very active stocks and the replacement of others by securities which cannot be made comparable with the earlier quotations, makes it difficult to obtain a satisfactory continuous record back to 1900 for this important group. For only eight stocks are the figures at all complete; for only two are they absolutely so. A third stock is that of a concern which was reorganized in 1911, but on a basis which makes it possible to improvise a series of quotations since. A fourth record stops at 1911. The remaining four do not go back all the way to 1900. In 1913 the sales of the eight represented about 33 per cent of the total sales of industrials at Montreal (where the great bulk of the trading in industrials is done), and about 16 per cent. of the Toronto transactions.

PRICES OF BANK, INDUSTRIAL, LAND COMPANY AND TRUST COMPANY STOCKS,
CANADA, 1900 - 1913.

(Prices in 1900 = 100).



Three of the eight stocks, it will be seen from Tables V and VI, show a decrease in prices from 1900. The Canadian Coloured Cotton dividend was only four per cent from 1900 to 1909, except in 1904 and 1905, when no dividends were paid, largely owing to a shrinkage in cotton values, and to the Company's policy of concentration, which necessitated the purchase of new properties. The stock of both of the steel companies represented in the list has been below par throughout the period; until lately Nova Scotia dividends have been uncertain as to amount. While Dominion Iron and Steel quotations show an increase of 62.4 per cent, it should be noticed that the stock has varied in price from 11.3 to 63.7. The shares of the Canadian Salt Company have not been much traded in, but as the records are fairly complete they have been included. The rapid advance in Laurentide prices from 1908 is to be explained partly by the table of dividends, and partly no doubt by the advantages accruing from reorganization.

TABLE V.—INDUSTRIALS.—AVERAGE PRICES OF COMMON STOCKS, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canadian Coloured Cotton	79.6	67.1	57.3	45.5	36.0	32.0	53.1	52.0	50.4	54.8	57.9	52.2	55.3	56.8
Canadian General Electric	170.6	219.2	212.4	168.8	150.1	156.7	142.7	116.3	96.0	114.3	108.7	107.3	113.5	110.4
Canadian Salt			123.7	117.0	114.0	110.0	109.0		109.5	111.5	110.9	102.2	114.4	117.5
Dominion Iron & Steel		30.2	53.8	23.8	11.3	21.7	28.5	19.5	17.0	43.7	63.7	57.3	61.8	47.4
Lake of the Woods						98.6	94.1	75.1	87.3	118.9	134.4	141.0	136.1	132.7
Laurentide Paper Co.	115.0	108.1	99.5	85.4	75.0	88.7	95.7	89.4	102.8	121.2	141.4	214.9		
Montreal Cotton	141.1	129.7	127.4	118.8	104.6	112.2	128.3	118.1	110.8	125.5	132.0	149.1	160.1	159.6
Nova Scotia Steel & Coal			102.4	90.3	69.8	63.3	66.7	65.8	52.2	67.0	82.6	96.1	92.1	78.6

TABLE VI.—INDUSTRIALS.—INDEX NUMBERS OF PRICES OF COMMON STOCKS, 1900-1913
(Prices 1900=100.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canadian Coloured Cotton	100	84.3	71.9	57.1	45.2	40.2	66.7	65.3	63.3	68.9	72.7	65.5	69.5	71.3
Canadian General Electric	100	128.9	124.5	98.8	87.9	91.8	83.7	68.2	56.2	67.0	63.9	62.9	66.5	64.9
Canadian Salt			98.1	92.8	90.4	87.2	86.4	86.6	86.8	88.4	87.9	80.9	90.7	93.2
Dominion Iron & Steel		103.4	184.2	81.5	38.7	74.3	97.6	66.7	58.2	149.7	218.2	196.2	211.6	162.4
Lake of the Woods						76.3	72.8	58.1	67.6	92.0	194.0	109.1	105.3	102.7
Laurentide Paper Co.	100	94.0	86.5	74.3	65.2	77.1	83.2	77.7	89.4	104.4	122.9	186.8	195.4	178.9
Montreal Cotton	100	91.9	90.3	84.2	74.1	79.6	90.9	83.7	78.6	88.9	93.6	105.7	113.4	113.1
Nova Scotia Steel & Coal			96.2	86.5	66.8	60.6	63.9	63.0	50.0	64.2	79.1	92.0	88.2	75.3
All	100	100.5	107.3	82.2	66.9	73.4	80.6	71.2	68.8	90.4	105.4	112.4	117.6	107.9

¹ Assuming that fluctuations have been at the same rate as the other stocks.

Land, Loan, Mortgage and Savings Companies.—Eighty-six per cent of the Toronto sales in this group are represented in the eleven stocks covered by the present enquiry. There is but little trading at Montreal. Five of the companies have headquarters in Toronto, three in London, Ont., two in Hamilton, and one in Montreal. The business of many of these concerns is conducted in all parts of Canada. It would have been desirable to include the stocks of certain concerns doing business more exclusively in the maritime and western provinces; this, however, was found impossible, the records of stock sales in many cases being altogether inadequate, and the stocks of the others not having been listed.

Every one of these stocks has increased in price since 1900. In 1913, the apex of the rise, the average increase amounted to 50.7 per cent. One stock shows only a slight advance; five, however, have shown increases of between 20 and 40 per cent, three have been well above the general average, being 62.2, 68.4 and 85.3 per cent higher, respectively, than in 1900; and two have gone exceptionally high, showing increases of 97.6 and 109.1 per cent respectively. It may be added that in 1900 five of the eleven stocks were selling considerably below par, whereas in 1913 only one remained below par. The advances in these stocks are frequently explained by the real estate booms of the last decade and a half. It would be more accurate to attribute them to the tremendous growth in business, due less to land speculation than to the expansion of agricultural credits. The agricultural business of the country is today transacted on borrowed money to a degree unknown a few years ago, and the money is largely obtained from companies of this type.

TABLE VII.—LAND, LOAN, MORTGAGE AND SAVINGS COMPANIES.—AVERAGE PRICES OF COMMON STOCKS, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canada Landed & N.I.Co...	80.8	94.4	104.5	104.4	104.9	116.7	122.4	121.5	122.2	151.1	156.3	160.1	161.3	159.7
Canada Perm. Mortgage...	112.1	120.4	121.1	121.1	121.5	127.5	127.5	121.3	130.8	159.5	165.3	168.8	190.9	188.8
Dominion Savings & I.S....	75.0	71.9	70.2	70.0	70.0	71.3	70.6	70.2	71.7	70.0	72.2	72.2	77.0	77.7
Hamilton Prov. & Loan...	110.9	114.3	119.8	119.2	119.5	120.8	122.0	122.4	119.2	121.8	129.6	131.8	134.2	135.0
Huron & Erie Loan & Sav.	179.0	183.0	183.5	182.5	182.7	185.0	185.6	182.1	179.3	189.5	200.8	201.2	204.5	214.0
Landed Banking & L.....	111.0	114.3	121.0	119.5	120.0	122.0	123.0	123.0	120.0	125.3	131.5	136.3	139.7	134.1
London & Can. Loan & A.	57.3	80.3	93.6	94.7	93.5	100.8	108.3	105.1	101.3	111.8	110.4	115.0	122.3	119.8
Montreal Loan & Mortgage...	138.6	136.0	137.8	134.3	133.0	135.0	135.8	133.0	133.2	137.8	147.2	145.1	158.5	180.0
Ontario L. & Debenture....	121.3	121.5	122.2	123.0	121.3	129.5	135.0	133.6	129.0	140.5	151.0	162.2	164.7	168.3
Real Estate Loan Co.....	63.5	72.5	75.0	80.0	80.6	.....	87.2	86.0	88.5	101.5	101.0	99.1	99.7	103.0
Toronto Mortgage.....	78.2	84.9	92.3	89.6	93.1	107.0	110.7	109.6	109.3	124.5	133.1	133.0	134.8	144.9

TABLE VIII.—LAND, LOAN, MORTGAGE AND SAVINGS COMPANIES.—INDEX NUMBERS OF PRICES OF COMMON STOCKS, 1900-1913.

(Prices 1900=100.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canada Landed & N.I.Co....	100	168.8	129.3	129.1	129.8	144.4	151.4	150.4	151.1	187.0	193.4	198.1	199.6	197.6
Canada Perm. Mortgage...	100	107.4	108.0	108.0	108.4	113.7	113.7	108.2	116.7	142.3	147.5	150.5	170.3	168.4
Dominion Savings & I.S....	100	95.9	93.6	93.3	93.3	93.3	95.7	93.6	94.1	94.9	96.3	96.3	102.7	103.6
Hamilton Prov. & Loan...	100	103.0	108.0	107.4	107.6	108.9	110.0	110.3	107.4	109.8	116.8	118.8	121.0	121.7
Huron & Erie Loan & Sav.	100	102.2	102.5	101.9	102.1	103.4	103.6	101.7	100.1	105.9	112.2	112.4	114.2	119.5
Landed Banking & Loan...	100	102.9	109.0	107.6	108.1	109.9	110.8	110.8	108.1	112.8	118.4	122.8	125.8	120.8
London & Can. Loan & A.	100	140.2	163.3	165.2	163.2	175.8	89.0	183.4	176.7	195.1	192.6	200.7	213.4	209.1
Montreal Loan & Mortgage...	100	98.1	99.4	96.9	95.9	97.4	97.9	95.9	96.1	99.4	106.1	104.6	114.3	129.8
Ontario Loan & Debenture...	100	100.1	100.7	101.4	100.0	106.7	111.3	110.1	106.3	115.8	124.4	133.7	135.7	138.7
Real Estate Loan Co.....	100	114.2	118.1	125.9	126.9	131.4	137.3†	135.4	139.4	159.8	159.1	156.1	157.0	162.2
Toronto Mortgage.....	100	108.6	118.0	114.6	119.1	136.8	141.6	140.1	139.8	159.2	170.2	170.1	172.4	185.3
All.....	100	112.7	113.6	113.8	114.0	120.2	123.8	121.8	121.4	134.7	139.7	142.2	147.9	150.7

† Assuming that fluctuations would have been at the same rate as the other ten stocks.

Light and Power Companies.—About 97 per cent of the business in this class of stocks, to judge from the 1913 statements of sales, is done on the Montreal exchange. In 1913 the sales at Montreal numbered 177,000 shares, and of these about 83 per cent are represented by the four companies whose stocks have been included here. Taken together, the increase shown is 31.3 per cent, but this is almost entirely the result of the extraordinary rise of one stock, two of the others showing lower prices in 1913 than in 1900.

The fixed dividend of Consumers Gas has resulted in a general lowering. Another feature, however, has tended to make the stock less desirable. Through its agreement with the City of Toronto, the company is required to sell all its new stock by public auction.* No benefit therefore can accrue to shareholders through the purchase of new stock at a discount,—a method which would have the further advantage of entailing less expense and trouble. In one instance only has there been a deviation from this practice, when in December 1913 some shares were sold by tender, though at unsatisfactory prices.†

Mexicans were particularly active in the three or four years immediately following their listing. Although 1913 shows an increase of 15.8 per cent, prices were considerably lower than in the four preceding years, the drop coming chiefly in the latter part of the year. In addition to "tight money", a decrease in the Company's earnings in February and March was largely responsible, one of the quarterly dividends of 1 per cent being passed.

A very rapid increase in the business of the Montreal Light, Heat and Power Company is shown in the reports of the last five years. The Company has been fortunate in the matter of franchises. Dividends have advanced from 6 to 10 per cent; correspondingly stock prices have risen from 97.0 in 1908 to 217.3 in 1913.

The records of Toronto Electric Light Company stock are not complete to date. On April 8, 1911 it was agreed by the shareholders to accept an offer from the Toronto Power Company of \$135 for their shares.

TABLE IX.—LIGHT AND POWER COMPANIES.—AVERAGE PRICES OF COMMON STOCKS, 1900-1913

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Consumers Gas Co.	213.6	215.7	212.9	209.3	206.9	209.7	204.9	195.1	193.4	205.0	202.1	195.8	193.2	178.1
Mexican Light & Power							59.4	45.8	61.3	72.3	78.7	86.5	87.8	65.8
Montreal L, H, & P.		96.8	97.7	82.0	75.8	88.9	94.1	88.9	97.0	121.2	135.4	162.8	215.8	217.3
Toronto El. Light	132.8	138.0	151.6	136.8	139.3	153.9	158.8	137.6	118.9	123.4	115.9	125.6		

*The clause in the Company's charter reads as follows: "All shares to be issued under the provisions of this Act shall be sold by public auction after three weeks' notice, . . . such shares to be put up in lots of ten shares each, and all surplus realized over the par value of the shares so sold shall be added to the rest of the reserve fund of the Company, until the same shall be equal to one-half of the paid-up capital stock of the Company. . . ."

†The Monetary Times of December 20, 1913, reported that "tenders were accepted for unissued capital stock of the Company to the extent of 3,140 shares at a premium averaging 62 per cent, and realizing a total of \$254,262.50. At this rate the net return to the investor on the basis of a 10 per cent. dividend will be 6.17 per cent. per annum."

PRICES OF ELECTRIC RAILWAY, LIGHT AND POWER COMPANY, NAVIGATION COMPANY AND TELEGRAPH COMPANY STOCKS, CANADA, 1900-1913.

(Prices in 1900 = 100).

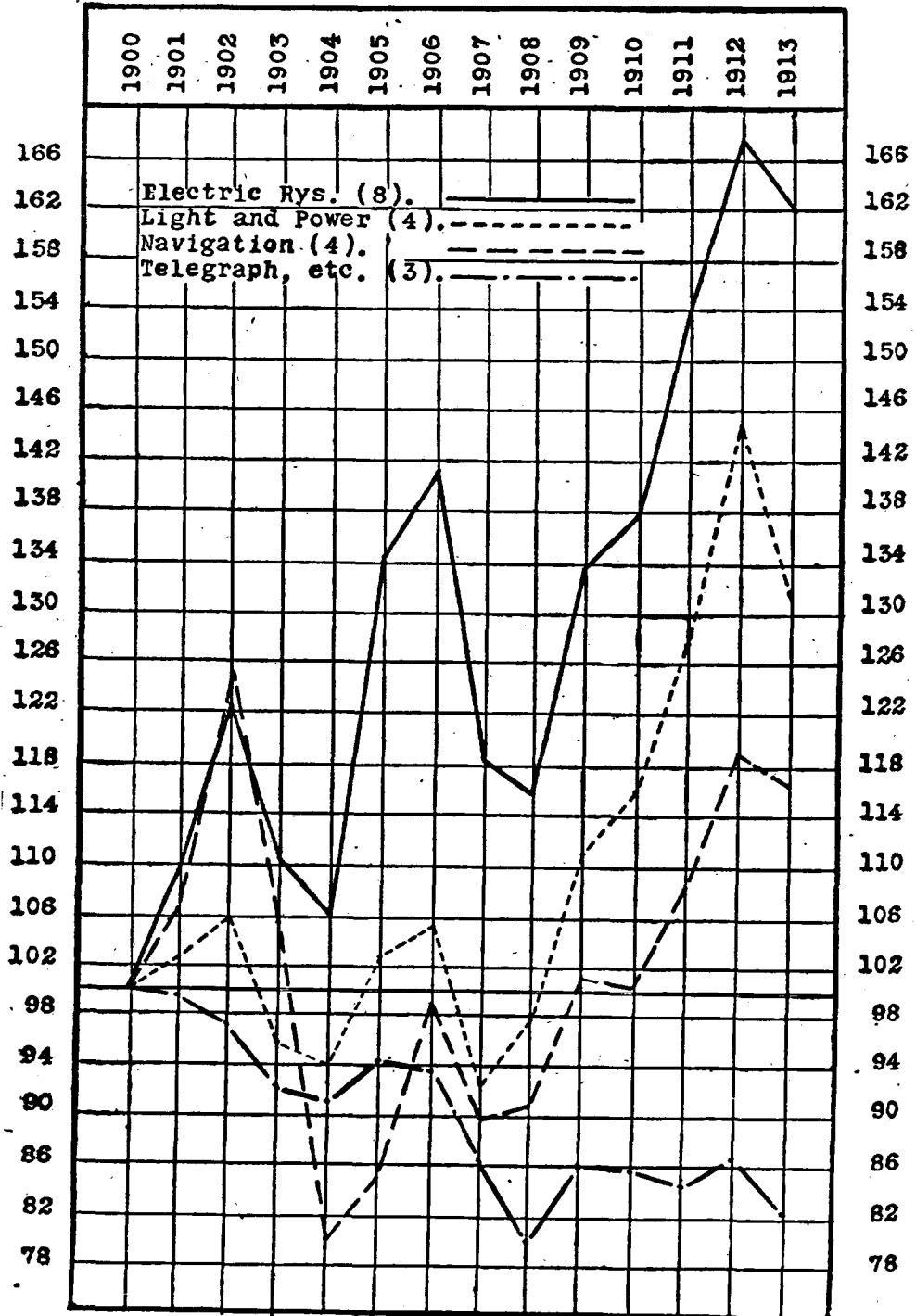


TABLE X.—LIGHT AND POWER COMPANIES.—INDEX NUMBERS OF PRICES OF COMMON STOCKS 1900-1913.

(Prices 1900=100.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Consumers Gas Co.....	100	100.9	99.7	97.9	96.8	98.1	95.9	91.3	90.5	95.9	94.6	91.6	90.3	83.4
Mexican Light & Power.....							104.6	80.6	107.9	127.3	138.6	152.3	154.6	115.8
Montreal L. H. & P.....		102.6	103.6	86.9	80.4	94.3	99.9	94.3	102.9	128.5	143.6	171.6	228.9	230.4
Toronto El. Light.....	100	103.9	114.2	103.0	104.8	115.9	119.6	103.6	89.0	92.9	87.3	94.8	105.9†	95.6†
All.....	100	102.5	105.8	95.9	94.0	102.8	105.0	92.5	97.6	111.2	116.0	127.8	144.9	131.3

† Assuming that fluctuations would have been the same as those of the other three stocks.

Navigation.—The four stocks quoted represent a high percentage of the total navigation shares sold. Although the Niagara and Northern Companies have recently been merged with the Richelieu and Ontario, the earlier records of their stock prices have been used, the percentage of fluctuations of the other two being applied in the last two years.

The record shows a net increase of 16.9 per cent. The very decided drop in 1903 and 1904 is due to a variety of causes peculiar to navigation stocks. During the season of 1903 a large increase occurred in the number of vessels on the lakes, following a general expression of concern as to a scarcity of Canadian tonnage. The report of the St. Lawrence and Chicago Navigation Company for 1903 makes the comment that “there is now a glut of Canadian tonnage on the market, which has made its presence severely felt and exercised a most depressing influence on rates of freight.” The season of 1904 opened about a month later than usual, and several disasters on the lakes brought earnings to a lower level. One company in 1904 deferred payment of dividends; two others reduced dividends, one suspending payment in 1905; the remaining company maintained its dividend rate, but in the face of decreased earnings.

The stock of the Niagara Navigation Company furnishes another illustration of the steady decline of prices while a fixed dividend is being paid. True, the price rose in 1906, without any advance in the dividend rate, but the explanation of that advance lies no doubt in the fact of the increase in net earnings, which in 1905 was 14.9 per cent, and in 1906 went up to 17.6 per cent.

TABLE XI.—NAVIGATION COMPANIES.—AVERAGE PRICES OF COMMON STOCKS, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Niagara Nav. Co.....			137.2	123.4	114.0	118.0	127.1	116.7	118.0	132.2	131.6	146.2	164.2	
Northern Nav. Co.....		107.0	149.5	124.3	66.5	73.2	96.0	90.7	94.3	111.8	111.8	121.9		
Richelieu & Ontario.....	107.1	113.8	107.5	87.4	71.6	70.9	81.7	67.9	72.3	83.4	87.8	115.6	117.8	111.1
St. Lawrence & Chicago.....			157.6	130.2	104.6	114.6	135.0	123.9	118.6	119.3	111.4	89.5	104.1	117.2

TABLE XII.—NAVIGATION COMPANIES.—INDEX NUMBERS OF PRICES OF COMMON STOCK, 1900-1913.

(Prices 1900=100).

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Niagara Nav. Co.....			124.9	112.4	103.8	107.5	115.8	106.3	107.4	120.4	119.8	133.2	149.5	*144.8
Northern Nav. Co.....		107.0	149.5	124.3	66.5	75.2	96.0	90.7	94.3	111.8	111.8	121.9	*134.0	*129.8
Richelieu & Ontario.....	100	106.2	100.3	81.6	66.9	66.2	76.3	63.4	67.5	77.9	81.9	107.9	109.9	100.4
St. Lawrence & Chicago.....			124.9	103.2	82.8	90.8	106.9	93.2	93.9	94.5	88.2	70.9	82.5	92.8
All.....	100	106.6	124.9	105.4	80.0	84.9	93.8	89.7	90.8	101.2	100.4	108.5	118.9	116.9

*Assuming that fluctuations would have been at the same rate as in other stocks.

Rails.—The history of C. P. R. stock is one of heavy advances, broken by a notable decline in 1913-14, a slight falling off during the stringency of 1907-08, and unsteadiness during 1903 and 1904. The reports for the two years last mentioned show that from September 1903 until May 1904 the earnings of the Company decreased each month, with but one exception, and that from August 1903 to October 1904, without exception, the receipts from land sales represented decreases.

The wide extent of the Company's operations is reflected in the stock quotations. Not only does the railway cover half a continent, but lake and ocean steamship lines, hotel trade, and the disposal of land grants contribute to its revenues. A slump in any one of these would not seriously affect the Company. Only general depressions like those of 1907 and 1913-14 make serious inroads on C. P. R. revenues. It is interesting to observe that 1900 is the first year in which C. P. R. reached par. In February of that year the high and low prices on the Toronto and Montreal markets were 100 and 96½ respectively. Not again until April 1901 did it reach that figure, after which the advance was marked. The index number follows:

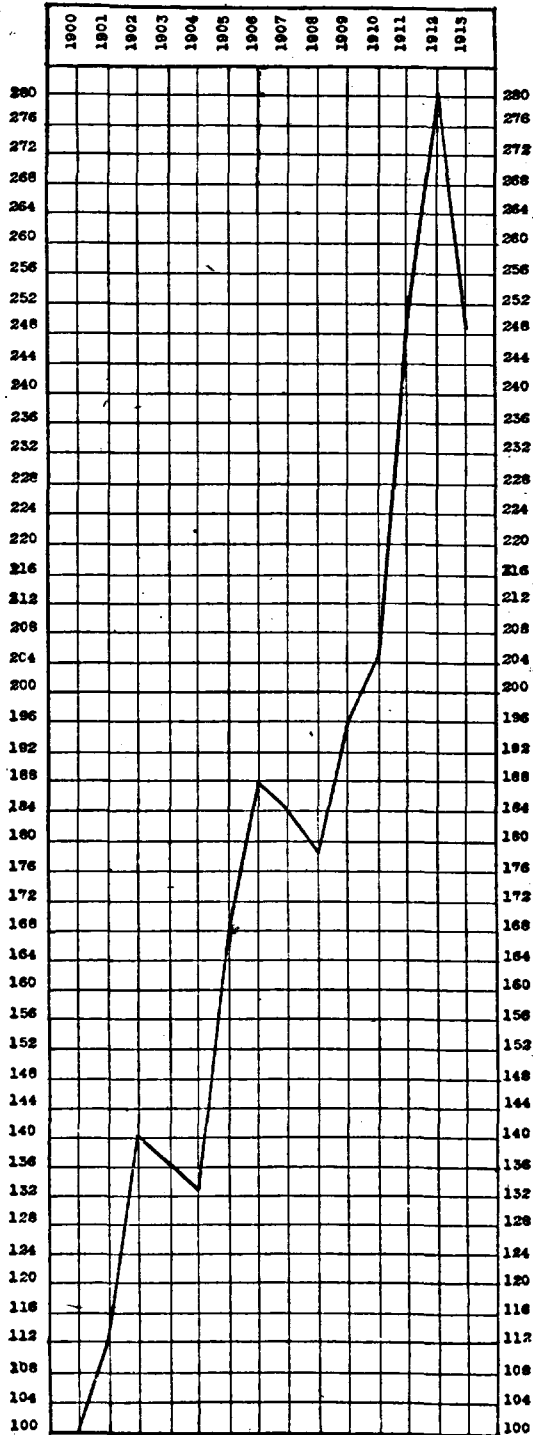
	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
C. P. R.....	100	113.1	140.4	137.0	133.5	169.5	187.9	184.3	178.8	196.3	205.6	250.6	280.4	249.2

In the main table quotations for Minneapolis, St. Paul and Sault Ste. Marie stocks will also be found. C. P. R. alone has been included in the index number as "Soo" prices in 1901 were exceptionally low, so low that the quotations of late years would show advances of from three to seven hundred per cent.

TABLE XIII.—RAILS.—AVERAGE PRICES OF COMMON STOCKS, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canadian Pacific Railway Co.....	91.5	103.5	123.5	125.4	122.3	155.1	172.0	168.6	163.6	179.5	188.1	229.3	256.6	228.0
Minneapolis St. Paul & Sault Ste. Marie.....		24.3	61.9	60.6	69.6	124.8	154.1	98.1	113.3	140.5	133.9	137.4	142.1	131.3

PRICE OF C.P.R. COMMON STOCK, 1900 - 1913.
 (Prices in 1900 = 100).



Electric Railways.—Sales in 1911 of the eight stocks included in the enquiry represented over 60 per cent of the Montreal sales, and about 40 per cent of the Toronto sales. This is not to suggest that the number of sales is any sure index to the importance of a company. There has been very little selling of Ottawa Electric Railway stock, for instance, the stock being closely held. But of the stocks active on the exchanges the eight used are fairly representative.

The most notable advance has been that of Sao Paulo, which rose from 93.1 in 1902, to 228.5 in 1912. Only two companies show a decline from 1900, and in both cases the dividends have been fixed, Montreal paying 10 per cent throughout with a single exception, St. John paying 6 per cent since 1901. One stock remains about the same price as when listed, Detroit United selling in 1901 for 76.0 and in 1913 for 72.6. The other four show increases of from 37.7 to 67.7 per cent since 1900.

TABLE XIV.—ELECTRIC RAILWAYS.—AVERAGE PRICES OF COMMON STOCK, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Detroit United.....		76.0	85.3	74.4	66.7	88.3	93.8	62.3	40.1	62.6	57.8	70.5	67.7	72.6
Halifax.....	94.5	95.3	107.1	97.3	93.7	105.1	103.7	97.5	99.8	114.3	125.1	146.0	155.0	158.5
Montreal.....	270.4	279.5	274.1	243.3	207.8	224.4	264.6	200.6	184.6	211.8	233.1	226.3	236.9	
St. John.....	118.5	116.2	116.8	117.0	107.5	114.0	108.4	99.3	100.0	101.0	102.6	107.7		
Sao Paulo.....			93.1	89.5	99.9	130.6	138.8	118.2	135.8	150.1	146.2	170.8	228.5	
Toronto.....	101.5	112.1	118.6	103.4	101.7	105.8	116.3	101.8	101.3	123.0	121.4	135.3	139.4	139.8
Twin City.....	64.2	88.2	118.2	101.3	96.5	113.5	114.3	91.6	88.3	106.2	111.0	107.8	106.4	105.2
Winnipeg.....						165.9	176.2	157.5	154.8	177.9	183.5	222.8	232.2	201.8

TABLE XV.—ELECTRIC RAILWAYS.—INDEX NUMBERS OF PRICES OF COMMON STOCKS, 1900-1913.

(Prices 1900 = 100).

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Detroit United.....	100	106.4	119.5	104.2	93.4	123.6	131.4	87.3	56.2	87.7	80.9	98.7	94.8	101.7
Halifax.....	100	100.8	113.2	102.9	99.8	111.2	109.7	103.3	105.6	120.9	132.4	154.5	164.0	167.7
Montreal.....	100	103.3	101.4	89.9	76.8	82.9	97.8	74.2	65.3	78.3	86.2	83.6	87.6	84.6†
St. John.....	100	98.0	98.3	98.7	90.7	96.2	91.4	83.8	84.3	85.2	86.5	90.8	98.7†	95.3†
Sao Paulo.....			124.3	117.9	131.6	172.1	182.9	157.8	181.3	197.8	192.6	225.0	301.1	290.9†
Toronto.....	100	110.4	116.8	101.9	100.1	104.2	114.3	100.3	100.0	121.2	119.6	133.2	137.3	137.7
Twin City.....	100	137.3	184.1	157.7	150.3	176.8	178.0	142.7	137.4	165.4	172.9	167.9	165.8	163.9
Winnipeg.....						208.2	221.0	197.6	194.2	223.2	230.2	279.5	291.3	253.2
All.....	100	109.4	122.5	110.5	106.1	134.4	140.8	118.3	115.9	133.7	137.7	153.9	167.6	161.9

†Assuming fluctuations to have been at the same rate as in the other stocks of the group.

Telegraph, Telephone and Cable.—Three companies (one telephone and two telegraph) have been included in the summary. The records of a fourth (Mackay) have been quoted on account of their recent activity but have not

been included in the index number as they were exceptionally low when first listed.*

The other three companies have been paying fixed dividends. The stock of two of these companies, whose dividends have been 8 per cent and 8 per cent plus a bonus of $\frac{1}{4}$ per cent, respectively, have decreased to the same extent, 16 per cent. The other company, paying a dividend of 6 per cent throughout, has seen a reduction in stock prices amounting to 21.2 per cent.

TABLE XVI.—TELEGRAPH, TELEPHONE, AND CABLE COMPANIES.—AVERAGE PRICES OF COMMON STOCKS, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Bell Telephone.....	175.6	171.7	167.1	157.0	148.3	156.8	151.6	130.1	132.8	145.8	144.2	145.8	155.2	147.3
Dominion Telegraph.....	126.9	124.4	120.5	116.0	120.0	120.8	120.1	116.8	102.6	106.8	108.3	106.6	104.8	100.0
Mackay Companies.....	.....	.....	.....	.....	28.2	43.2	68.6	63.8	65.1	82.0	89.0	88.1	84.3	81.1
Montreal Telegraph.....	166.8	171.5	169.0	160.1	158.0	163.3	166.6	154.3	138.7	151.3	148.3	146.9	147.1	139.6

TABLE XVII.—TELEGRAPH, TELEPHONE AND CABLE COMPANIES.—INDEX NUMBERS OF PRICES OF COMMON STOCKS, 1900-1913.

(Prices 1900=100).

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Bell Telephone.....	100	97.8	95.2	89.4	84.4	89.3	86.3	74.0	75.6	83.0	82.1	83.0	88.4	83.9
Dominion Telegraph.....	100	98.0	94.9	91.4	94.5	95.1	94.6	92.0	80.9	84.1	85.3	84.0	82.5	78.8
Montreal Telegraph.....	100	102.8	101.3	95.9	94.7	97.9	99.9	92.5	83.1	90.7	88.9	88.1	88.2	83.6
All.....	100	99.5	97.1	92.2	91.2	94.1	93.6	86.2	79.9	85.9	85.5	84.6	86.4	82.1

Trust Companies.—The trading in Trusts has not been heavy at any time during the period. But advances in prices have been exceptionally strong, particularly in one company whose stocks show a 70 per cent increase over 1900. The capitalization of both companies was the same in 1913, and the dividends paid during 1912 and 1913 were equal.

TRUST COMPANIES.—AVERAGE PRICES OF COMMON STOCKS, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
National Trust.....	131.4	131.3	138.8	139.3	137.1	142.5	155.8	158.4	146.6	176.3	198.8	205.0	209.7	223.7
Toronto General.....	148.2	160.6	166.6	162.2	164.0	159.6	154.6	146.2	144.4	161.4	171.3	177.7	190.9	188.0

*They have shown a steady advance. On Dec. 19, 1903, the Mackay Companies of Boston, Mass., bought up a controlling portion of the Commercial Cable Company's stock. The other shareholders of the Cable Company were given an opportunity to exchange their stock on or before March 30, 1904, for the 4 per cent cumulative preferred and the common of the Mackay Companies on the following terms: For each share of Commercial Cable stock were to be given \$100 par value, two cumulative preferred 4 per cent shares and two common shares, each of \$100 par value, of Mackay Companies. During the ten years previously, Commercial Cable stock had been selling at prices varying from 130 to 190. In March, 1904, the high and low prices were 190 and 175.

TABLE XX.—TRUST COMPANIES.—INDEX NUMBERS OF PRICES OF COMMON STOCKS, 1900-1913.

(Prices 1900=100).

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
National Trust.....	100	99.9	105.6	106.0	104.3	108.4	118.8	120.5	111.6	134.2	151.2	156.0	159.6	170.2
Toronto General.....	100	108.3	112.4	108.6	110.6	107.6	104.2	98.6	97.4	108.9	115.5	119.9	128.8	126.8
All.....	100	104.1	109.0	107.3	107.5	108.0	111.5	109.6	104.5	121.6	133.3	137.9	144.2	148.5

General Sketch of the Canadian Stock Market, 1900-1913.

The foregoing permits of a general summing up:

1900.—The beginning of the century found the Canadian stock market in optimistic mood, the result of booming trade and general industrial activity. The great outburst of speculation in the United States which followed the Presidential elections of 1896, followed by the similar influence in 1900 had brought stock prices there to the highest point since 1890 and to what, as experience since proved, was a permanently higher level of fluctuations. The effect overflowed into Canada, and it was amid these buoyant influences that the century began.

1901-4.—An exceptionally rapid upward movement characterized these years, the early autumn of 1902 having registered a rise of probably twenty-five per cent compared with two years previously. Speculation and inflation were everywhere rife. New promotions were the order of the day, fancy values being placed on many which were heavily underwritten. There was great commercial and industrial activity. One effect in Canada was to cause neglect of several good dividend paying securities. What has been termed the "rich man's panic", in New York, however, set in during October, 1902, and under heavy liquidation the market gradually receded until by 1904 the level of 1900 was resumed. It was estimated that thirty stocks on the Montreal Exchange shrank from a value of \$363,000,000 to one of \$272,000,000 towards the end of 1904, notwithstanding that good agricultural yields and continued manufacturing and transportation activity promised the continuance of prosperity in Canada.

1905.—The turn in the tide came with 1904 and the Presidential campaign in the United States, and though the public was slow in coming in, investment purchases on the Toronto and Montreal Exchanges caused a considerable stimulation of prices early in 1905. The recuperative process gradually gathered strength, though there were fluctuations at first in both directions. With the promise of good crops, active business and easier money, the elimination of the "undigested" securities of 1902-3 proceeded, and though the public still remained outside there occurred a marked recovery in the direction of the level of 1902-3. Bank stocks and C. P. R. were particularly buoyant.

1906.—A feature of the year was the refusal of Canadian speculators to be drawn into the vortex of New York which at the time was in the midst of a pronounced "bull" movement. Later the indirect influence of the San Francisco disaster lowered prices, and in spite of the generally favourable outlook there was an impression that values had been raised too high. British markets inclined to dullness.

1907.—The American panic and crisis sent the level of Canadian stocks back practically to that of 1900 and the effects were prolonged over the whole

of 1908. There was, however, no panic in Canada, though the depression was severely felt. 1908 saw several new stock issues of large amounts, the list being headed by C. P. R., with one of \$28,000,000 and the Bank of Commerce with one of \$5,000,000.

1909.—Though industrial conditions were still only fair the net result of the year's operations in stocks was a rise, though no such buoyancy was witnessed as in 1905-6. Canadian credit remained excellent in London and several heavy flotations met with gratifying success.

1910.—The resumption of industrial and commercial prosperity and expansion on an unprecedented scale was at once reflected in the stock market. There was, however, a recession during the summer in sympathy with New York and London. Features of the autumn were dear money and a lack of investment support to the large number of security issues which were offered.

1911.—The good crops, general expansion of trade, real estate speculation, with a cessation of the tendency towards amalgamation in industrials, constituted on the whole a favourable setting for a rise in prices. The promotion of companies was on an especially heavy scale, the year constituting a record in capitalization.

1912.—The culmination of the boom conditions of the two preceding years was now reached, with stock prices on the highest level yet attained. The better classes of investment securities moved lower as the year advanced yielding to the demand for better interest. Large issues of industrial bonds became necessary to meet expansion and the buying of stocks for investment, especially preferred stocks, which had been somewhat neglected in recent years, became a feature.

1913.—The growing money stringency resulted in a pronounced decline in gilt-edged securities. Notwithstanding the rise in interest, however, the flotation of loans continued for some time. Later the effect of the Balkan war began to be severely felt, and many securities, especially those suspected of over-capitalization, saw pronounced declines. Industrials on the whole suffered most. Land and loan companies were an exception, maintaining their upward trend. Municipalities were finding it increasingly difficult to finance loans as the year advanced. The "strike of capital for higher pay", for some time threatened, was now declared. The year was one of anxiety for large concerns.

(2) Preferred Stocks.

Though the record of every preferred stock for which quotations are available in anything like complete form is given herewith (page 655), the list includes but nine stocks, only two of which show figures back to 1900. A generalization on the subject is therefore difficult, especially when the wide variations as between the tendencies of particular stocks are noted.

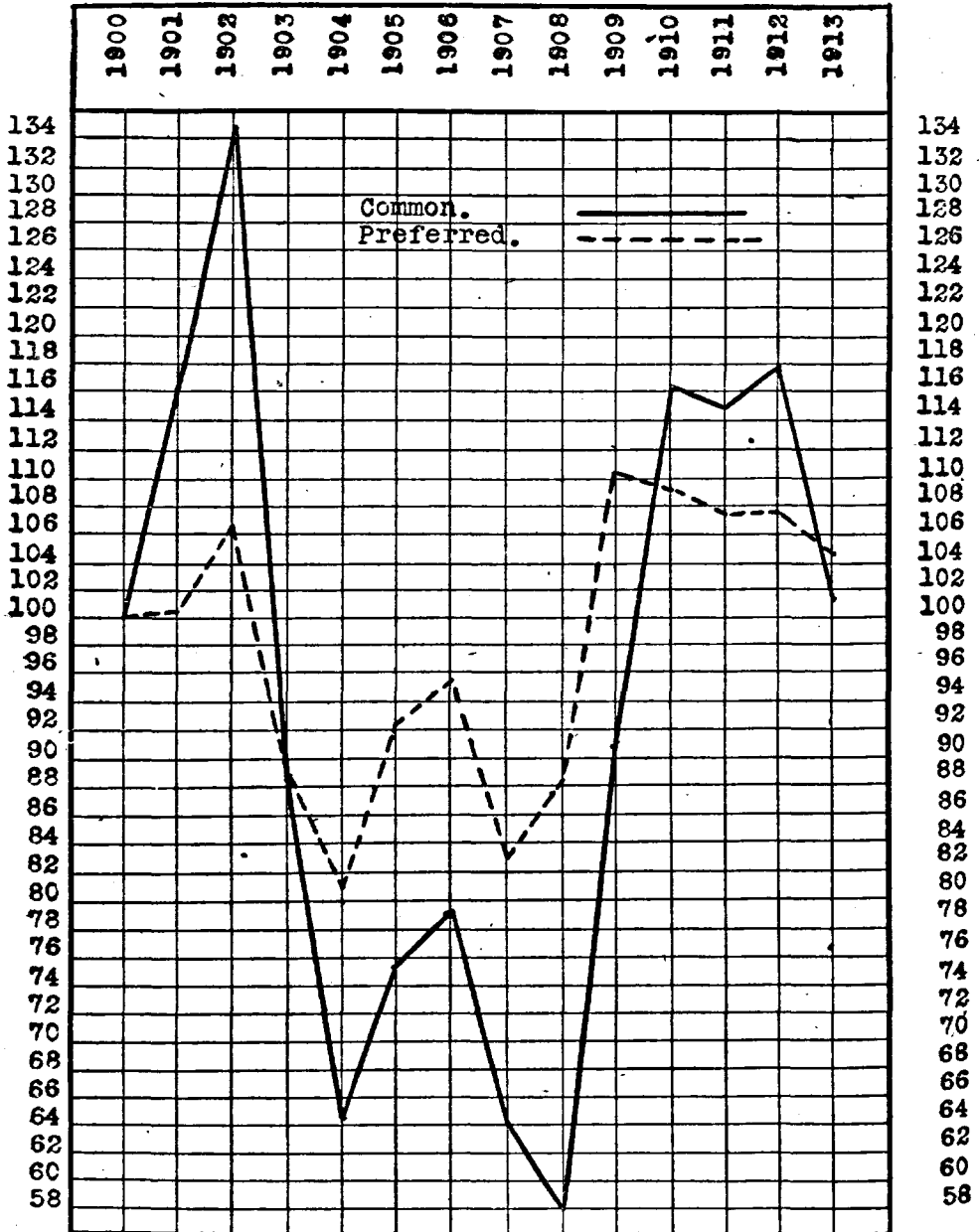
The average annual prices and the index numbers used thereon are given in Tables XXI and XXII. The average index number yields the result that would be expected, namely, that the rise has not been so pronounced as in common stocks. This is particularly the case during the past four years. In the earlier portion of the record preferred stocks appear to have varied pretty much as common.

For accurate comparison of preferred and common stocks, however, the shares should be of the same corporations, otherwise the results will "reflect differences in the financial fortunes of the two sets of companies, as well as differences in the business factors affecting the two types of stock."* Both the

*Mitchell, *Business Cycles*, 195.

PRICES OF COMMON AND PREFERRED STOCKS, CANADA, 1900-1913.

Prices in 1900=100.



§Namely, Canadian General Electric, Lake of the Woods Milling, Dominion Iron and Steel, N. S. Steel and Coal.

preferred and common stocks of only four corporations§ are available in the accompanying data. Averaging the index numbers for these in each case the result shown in the diagram opposite is obtained. This confirms very strikingly the statement that while preferred stocks obey the same impulses as common they are much more inclined to stability.*

TABLE XXI.—AVERAGE PRICES OF PREFERRED STOCKS, 1900-1913.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
B. C. Packers Assoc'n.....			100.3	98.5			71.7			90.7	78.0	91.6	114.7	145.2
Canadian Gen. Elec.....	107.3	108.4	108.6	106.9	106.5	108.3	108.5	101.5	106.2	111.0	112.0	112.5		
Dominion Coal.....	115.7	115.3	116.8	114.0	110.3	116.1	117.3	101.8	96.3	111.9	111.5	111.1	111.2	107.8
Dominion Iron & Steel.....		82.1	93.9	52.8	33.3	69.6	76.5	50.4	61.6	119.0	110.2	102.8	103.6	97.5
Dominion Textile.....						90.9	102.8	87.9	85.5	103.8	101.3	100.8	102.3	101.5
Lake of the Woods M.....					115.5	113.9	112.3	106.3	111.9	123.1	125.1	122.7	121.1	118.3
Mackay Companies.....					70.1	73.8	72.3	64.6	66.6	73.9	75.3	74.3	68.5	66.6
Nova Scotia Steel & Coal.....		129.0	125.4	112.5	114.1	120.1	112.8	110.8	119.3	121.5	125.7	125.3	120.8	
Ogilvie Flour Mills Co.....		125.9	126.2	121.9	132.1	125.5	115.9	119.0	124.4	125.9	124.0	120.8	114.9	

TABLE XXII.—INDEX NUMBERS OF PRICES OF PREFERRED STOCKS, 1900-1913.
(Prices in 1900=100).

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
B. C. Packers Assoc'n.....			104.6	102.8	93.8	103.5†	74.8	67.3†	69.0†	94.8	81.4	95.6	119.7	151.6
Canadian Gen Elec....	100	101.0	101.2	99.6	99.3	100.9	101.1	94.5	98.9	103.4	104.4	104.8	106.7†	107.7†
Dominion Coal.....	100	99.6	100.9	98.5	95.3	100.3	101.3	87.9	83.2	96.7	96.4	96.0	96.1	93.2
Dominion Iron & Steel.....	100.1	114.5	64.4	40.6	84.8	93.3	61.5	75.1	145.1	134.4	125.4	126.3	118.9	
Dominion Textile.....					108.6	122.8	105.0	102.2	124.0	121.0	120.4	122.2	121.2	
Lake of the Wood Mill					92.2	90.9	89.7	84.9	89.3	96.7	99.9	98.0	96.7	94.5
Mackay Companies.....					92.2	97.1	95.1	85.0	87.6	97.2	99.1	97.8	90.1	87.6
Nova Scotia Steel and Coal.....		104.6	101.7	91.3	92.6	97.5	91.6	89.9	96.8	98.5	102.0	101.7	98.1	
Ogilvie Flour Mills Co.....		104.6	104.9	101.4	109.9	104.4	96.4	99.0	103.5	104.7	103.1	100.4	95.5	
All (unweighted).....	100.0	100.2	105.1	95.3	88.3	98.7	97.8	86.0	88.3	106.5	104.4	103.8	106.7	107.6
All (weighted according to sales.....)	100.0	100.0	112.9	70.8	79.9	95.8	96.0	61.1	85.2	134.1	120.8	111.8	110.9	106.7

†Assuming that fluctuations were at the same rate as in other stocks.

(3) Industrial Bonds.

As in the case of preferred stocks, a record of bond prices is difficult to come by. For thirteen industrial bonds, however, fairly complete data have been secured and are printed in full in the large table. (See page 660.) The average annual prices are shown below (Table XXIII).

A table of index numbers based in the usual way upon these average prices is also given herewith; it shows that the almost constant tendency of bond prices since 1900 has been to sag—where they have not remained stationary on or about the original level. This method of illustrating bond prices is, however, open to objection. A bond has a fixed date for redemption and its price from year

**The reasons for this greater stability are found in the differences between the rights of common and preferred shareholders. From the investor's standpoint, the prior right to dividends, often coupled with a limitation upon the maximum dividend, promises a more regular return upon purchases of preferred than upon purchases of common stock. On the other hand, common stock is the speculator's favorite, precisely because it promises wider oscillations in price, so that speculative operations doubtless enhance the differences in variability which investment dealings would establish. Finally, contests for control usually centre upon common stock, either because it alone carries voting privileges, or because it is cheaper." Mitchell *Business Cycles*, 198. A comparison by Mitchell of the courses followed by the common and preferred stocks of ten American railway corporations show the same tendencies as above.

to year is affected by that fact. In other words, the bond changes character as it progresses to maturity, and quotations from year to year are not on the same basis. By way of meeting this objection the device was employed of regarding the net earnings of bonds as the real indicator of price. (A table of these earnings is given herewith.) Thus, in the case of Commercial Cable First Mortgage 4 per cent, the index number 100 was given for the year 1900 when the net rate at the prevailing price of 102.4 was 3.9 per cent. In 1902 the net rate on this bond at the prevailing price of 96.5 was 4.1 per cent. This rate, however, under the same conditions as prevailed in 1900 would represent a capital investment of \$95.1. This last, therefore, was regarded as the true price of the bond. The final index numbers obtained in this way follow:

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Bonds	100	99.8	100.7	96.5	94.5	98.9	99.6	95.6	94.1	98.4	98.5	98.3	97.6	95.5

It will be seen that the above shows a greater tendency to decline than the index number and this is probably a more accurate reflection of the fact.

TABLE XXIII.—AVERAGE PRICES OF INDUSTRIAL BONDS.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canadian Col. Cotton.....	99.7	99.1	100.8	98.0	91.0	91.8	97.1	95.4	95.4	98.9	100.0	99.8	100.0	
Commercial Cable Co.....	102.4	101.0	96.5	93.0	92.4	96.2	96.1	92.6	85.8	89.0	86.3			79.5
Dominion Coal Co.....						101.1	101.3	97.0	91.0	96.3	98.0	97.3	99.1	98.4
Dominion Iron & Steel.....		83.7	89.0	69.9	65.4	84.3	83.8	73.8	76.3	92.3	95.6	94.6	94.8	90.1
Dominion Textile.....						91.1	94.9	86.1	85.6	95.0	95.8	96.1	97.6	99.3
Halifax Electric.....	103.5	103.4	105.3	105.0	102.0	105.0	103.8	100.7	99.0	100.0	100.8	100.4	100.6	100.0
Lake of the Woods Mill.....						109.5	111.1	110.2	104.1	105.6	110.3	110.8	109.5	109.8
Laurentide Company.....	105.0	104.0	106.0	102.7	102.3	108.9	108.9	108.6	109.5	111.4	109.6	110.3	111.3	106.0
Mexican Light and Power.....						68.0	82.3	80.5	84.6	85.8	87.4	90.3	90.5	88.5
Montreal L. H. & P.....				100.5	101.2	101.6	101.9	96.2	95.2	99.8	99.2	99.6	100.1	97.8
Montreal St. Railway.....			106.1	104.4	104.0	103.9	104.6	101.5	99.7	101.0	100.6	99.8	99.8	100.0
Ogilvie Flour Mills Co.....			115.3	114.4	114.0	116.0	116.9	115.1	109.3	111.1	112.9	113.3	110.3	105.6
Winnipeg Elec. Ry.....		109.5		108.0	105.5	107.9	107.9	102.4	100.9	105.0	103.6	104.3	104.7	99.5

TABLE XXIV.—INDEX NUMBERS OF PRICES OF INDUSTRIAL BONDS AS IN TABLE XXIII.

(Prices 1900=100).

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canadian Col. Cotton.....	100	99.3	101.1	98.3	91.3	92.1	97.4	95.7	95.7	99.2	100.3	100.1	100.3	97.3
Commercial Cable Co.....	100	98.6	94.2	90.8	90.2	93.9	93.8	90.4	83.8	86.9	84.3	84.4	84.6	77.6
Dominion Coal Co.....						97.8	98.1	93.9	88.1	93.2	94.9	94.2	95.9	95.3
Dominion Iron & Steel.....		99.2	105.5	82.8	77.5	99.8	99.2	87.4	90.4	109.4	113.3	112.1	112.3	106.8
Dominion Textile.....						97.8	101.9	92.5	91.9	101.3	102.9	103.2	104.8	106.7
Halifax Electric.....	100	99.9	101.7	101.4	98.5	101.4	100.2	97.2	95.7	96.6	97.3	97.0	97.2	96.6
Lake of the Woods Mill.....						94.5	95.9	89.8	91.1	95.2	95.6	94.5	94.7	89.3
Laurentide Company.....	100	99.0	100.9	97.8	97.4	103.7	103.7	103.4	104.2	106.1	104.3	105.0	106.0	100.9
Mexican Light and Power.....						97.8	118.4	115.8	121.7	123.5	125.8	129.9	130.2	127.3
Montreal L. H. & P.....				97.0	97.7	98.1	98.4	92.9	91.9	96.3	95.8	96.1	96.6	94.4
Montreal St. Railway.....			99.6	98.0	97.7	97.6	98.2	95.3	93.6	94.8	94.5	93.7	93.7	93.9
Ogilvie Flour Mills Co.....			99.6	98.7	98.4	100.1	100.8	99.3	94.3	95.8	97.4	97.8	95.2	91.1
Winnipeg Elec. Ry.....		99.2	100.7	97.8	95.6	97.7	97.7	92.8	91.4	95.1	93.8	94.5	94.8	90.1
All.....	100	99.2	101.1	95.8	84.1	97.9	100.2	88.4	94.9	99.4	100.0	100.2	100.5	97.5

TABLE XXV.—AVERAGE NET EARNINGS OF INDUSTRIAL BONDS.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canadian Col. Cotton.....	6.0	6.0	5.9	6.1	6.6	6.5	6.2	6.3	6.3	6.1	6.0	6.1	6.0	
Commercial Cable.....	3.9	3.9	4.1	4.3	4.3	4.2	4.2	4.3	4.7	4.5	4.6	.....	.....	5.0
Dominion Coal Co.....						4.9	4.9	5.1	5.5	5.2	5.1	5.1	5.0	5.1
Dominion Iron & Steel.....		6.0	5.6	7.2	7.6	5.9	5.9	6.8	6.5	5.5	5.2	5.3	5.3	5.5
Dominion Textile.....						6.6	6.3	6.9	7.0	6.3	6.2	6.2	6.1	6.0
Halifax Electric.....	4.8	4.8	4.7	4.8	4.9	4.8	4.8	4.9	5.0	5.0	4.9	5.0	5.0	5.0
Lake of the Woods Mill.....					5.5	5.4	5.4	5.7	5.7	5.4	5.4	5.5	5.5	5.8
Laurentide Company.....	5.7	5.8	5.7	5.8	5.9	5.5	5.5	5.5	5.5	5.4	5.5	5.4	5.4	5.6
Mexican Light & Power.....						7.3	6.1	6.2	5.9	5.8	5.7	5.5	5.5	5.6
Montreal L. H. & P.....				4.5	4.4	4.4	4.4	4.7	4.7	4.5	4.6	4.5	4.5	4.6
Montreal St. Railway.....			4.2	4.3	4.3	4.3	4.3	4.4	4.5	4.4	4.5	4.5	4.5	4.5
Ogilvie Flour Mills Co.....			5.2	5.2	5.3	5.2	5.1	5.2	5.5	5.4	5.3	5.3	5.4	5.7
Winnipeg Electric.....		4.6		4.0	4.7	4.6	4.6	4.9	4.9	4.7	4.8	4.8	4.8	5.0

It must be remembered throughout the presentation of this matter, that the grouping of the above securities into common stocks, preferred stocks, and bonds is to a certain extent arbitrary, certain of the common stocks having many of the characteristics of bonds, while certain of the preferred stocks have characteristics usually associated with common.* Common stocks on which a fixed dividend is paid have declined steadily since 1900. Bell Telephone stock, for instance, had been paying 8 per cent since 1891; from 1900 the price has declined 16 per cent, the average price in 1900 being 175, and in 1913, 147. Consumers' Gas has been paying 10 per cent since its establishment; prices in 1913 were lower than in 1900 by 17 per cent, the actual prices for the two years being 214 and 178. Bank of Montreal has paid 10 per cent each year since 1900, except that in 1912 and 1913 stock bonuses of 2 per cent were added; the decline in stock prices has therefore been steady—9 per cent in the fourteen years, which but for the stock bonuses would have been much greater. In the group of Industrials, the dividend paid by Canadian General Electric from 1900 to 1907 was 10 per cent, from 1908 to 1911, 7 per cent, and in 1912 and 1913, 7 per cent with a 1 per cent bonus. The year 1900 was the first in which a regular 10 per cent dividend was paid, and in the latter part of that year important extensions were made to the Company's properties. This resulted in the stock coming more nearly to its rightful price, in 1901, when its average was 220; from 1901 to 1907, however, the decline was steady. When the dividend was changed to 7 per cent, in 1908, the average price was below par, shortly recovering, however, to an average in 1909 of 114. The decline from that point continued during 1910 and 1911.

Dividends, Stock Bonuses and New Stock Issues.

For the purpose of assisting in the interpretation of the prices statistics in this way the tables of Dividends, Stock Bonuses, and of benefits accruing to

*"In proportion as stocks become firmly established as 'dividend payers' their prices come increasingly under control of investment considerations and approximate more closely the steadiness of bonds."—Mitchell, *Business Cycles*, 215.

stockholders through issues of new stocks at prices below the market, beginning on page 667, are given. The various concerns whose stocks have been quoted in the preceding are included, together with others which were omitted from the preceding list for reasons that have been explained but which are added here in order to increase the record for purposes of reference. The *Annual Financial Review* is authority for the quotations throughout.

The distinction between dividends and stock bonuses is important. If a corporation announces a dividend of 10 per cent, and a bonus of 2 per cent, it in no way obligates itself to continue the payment of the 2 per cent, whereas the named dividend, or even a higher rate, will be expected. Nor would such a payment, it is obvious, be equivalent to a 12 per cent dividend. Payments of the regular dividend would probably be made in four quarterly instalments of 2½ per cent, whereas the bonus would likely be paid in two half-yearly instalments of one per cent. While the amount of money paid out might be the same, the corporation would have the use of the amount of the bonus for a longer period than if a straight dividend of 12 per cent had been declared.

Stockholders frequently benefit also by new issues of capital stock. For various reasons it is the policy of some concerns to limit the issue of new stock to their own shareholders, to whom it is offered at a discount from the market price. The expense of marketing the new issue is thus saved, as well as the disturbance to stock prices which a new issue would ordinarily produce. Such an advantage to owners of stock should really be classified with dividends, and the effort has been made therefore to take account of such benefits to stockholders. While the stock is not always sold to shareholders, they alone have the right to subscribe at the reduced rate. These rights can be sold to others. For instance, if stock were selling at 210, and new stock were allotted to shareholders at 180 on a 1 to 5 allotment, one who held five shares could buy one new share at 180, his six shares costing him 1230 or an average of 205. His rights then would be valued at 5 per cent or the difference between the average cost of his six shares and the market price. Such an operation would be much in the nature of a 5 per cent bonus.

The tables just mentioned will enable a study to be made of the comparative earnings of stocks and bonds under the recent regime of rising prices. As already pointed out, a period of rising commodity prices is conducive to an advance in stocks, prices affecting profits and profits affecting dividends. (This, of course, is contingent upon the corporation not disbursing its profits, (1) to labour in higher wages, (2) to the consumer through price regulation, and (3) to money lenders in higher interest on bonds necessitated by an expansion of business.) From the preceding tables, the rate per cent on capital investment

at current prices from year to year has been calculated and averages struck for the several classes of securities as follows:

TABLE XXVII.—PER CENT DIVIDEND EARNINGS OF STOCKS AND BONDS AT CURRENT PRICES, 1900-1913.

	No.	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
COMMON STOCKS:—															
Bank stocks.....	16	4.5	4.5	4.4	4.4	4.5	4.3	4.4	4.8	5.0	4.8	4.8	5.1	5.4	5.7
Industrials.....	5	5.4	5.9	6.3	7.5	7.1	6.8	7.2	7.9	6.4	5.6	6.3	6.3	6.3	6.5
Land Loan and Mortgage.....	11	6.1	5.7	5.5	5.5	5.6	5.3	5.3	5.4	5.5	5.3	5.3	5.3	5.4	5.6
Light and Power.....	3	4.7	4.6	4.5	4.9	5.0	4.6	4.9	5.9	6.0	5.6	5.8	5.6	5.5	5.7
Navigation.....	4	9.4	9.3	8.7	6.2	5.7	6.9	5.7	7.7	7.0	6.4	5.5	5.9	6.0	5.8
Rails.....	2	4.4	4.0	3.6	3.8	5.3	3.5	3.0	4.1	4.8	4.1	4.6	4.7	4.4	4.8
Electric Rys.....	8	4.5	4.5	4.4	5.0	5.5	4.8	4.9	5.6	5.8	5.4	5.4	6.7	5.6	5.8
Telephone and Telegraph.....	4	4.6	4.7	4.8	5.0	5.0	4.9	4.9	5.7	5.9	5.5	5.5	5.6	5.6	5.9
Trust.....	2	4.4	4.6	4.4	4.4	4.5	4.4	4.6	4.7	5.2	4.7	4.6	4.7	5.0	4.9
All.....	55	5.3	5.2	5.1	5.2	5.3	4.9	5.0	5.6	5.6	5.2	5.3	5.6	5.5	5.7
PREFERRED STOCKS.....															
	5	5.5	5.5	5.5	6.3	6.5	6.3	6.7	7.0	7.3	6.5	6.4	6.1	5.9	6.0
BONDS:.....															
	9	4.99	5.00	4.94	5.20	5.33	5.04	5.00	5.22	5.29	5.06	5.04	5.06	5.06	5.21

Relative Profitableness of Stock and Bond Investments.

The tables above referred to may be used to throw light on the interesting and important question of the relative profitableness of investments in stocks and bonds during the past few years, a matter of somewhat wide application, seeing that the stock holder may be regarded as typical of the enterpriser and debtor class as a whole and the bond holder of the entire lending and creditor class.

It has been shown above that common stocks in Canada have risen on an average 43.2 per cent since 1900, whereas bonds have declined by 4.5 per cent. This means, from a cost of living standpoint, that the stock holder has retained the purchasing power of his investment about unimpaired, while the purchasing power of the bond holder's investment has fallen off not only through the decline in selling price of 4.5 per cent, but through the rise in the cost of living by at least 40 or 50 per cent.

This, however, is not a complete view of the case, which must consider income as well as capital investment. While the bond holder's income has remained stationary, the stock holder's has gone up very materially. In fact an average dividend of 5.3 per cent in 1900 had risen to one of 8.2 per cent in 1913. (This is reflected in the above table wherein the per cent rate of dividends even at the high prices of 1913 is higher than it was at 1900 prices.) It must be remembered also that the "rights" accruing to stock holders in connection with the issuance of new stock represent very material benefits. These have not been

calculated in the present instance, but it would seem a conservative statement, judging from United States' experience,* that they have amounted to one-third the value of the dividends.

On this larger basis a comparison between an investment of \$100 in Canadian stocks in 1900 and a similar investment in bonds is significant. The capital value of the stock investment has risen to \$143.20. The dividends during the 13 years have amounted to \$86.70,† and the "rights" to say \$25, a total of \$254.90. The capital value of the bond investment on the other hand has shrunk to \$95.50, and the bond has yielded only \$70 in interest, a total of \$165.50. In other words the stock holder has made a net profit of \$150, where the bond holder has made a gain of only \$65.‡ Putting it in a general way: the stock holder and those whom he typifies have been able not only to keep pace in their incomes with the rise in the cost of living but considerably to exceed that rise (wherein is found the key to the "extravagance of the age"), at the same time maintaining their capital intact in purchasing power; on the other hand, the classes represented by the bondholder, after adjusting as they must their current expenditures to the rise in prices, find that they have so eaten into their capital that probably only half of its purchasing power remains. If in addition the extravagance of the stockholder has been contagious, to just that degree is that remainder to the bondholder less than half.

†The average dividends paid on the stocks of ten great American railways during the nine years, 1900-1909, amounted to \$43.30, while the value of the "rights" was \$30.20. See article by J. Pease Norton in the *Securities Review*, Sept., 1912.

‡The average annual dividends on the 55 stocks are as follows:—

1900.....	5.3
1901.....	5.6
1902.....	6.2
1903.....	5.1
1904.....	5.3
1905.....	5.6
1906.....	5.5
1907.....	5.8
1908.....	6.1
1909.....	5.6
1910.....	6.5
1911.....	7.8
1912.....	8.1
1913.....	8.2

86.7

§Professor Pease Norton of Yale University (*Stocks as an Investment When Prices are Rising*, in the *Securities Review*, Sept. 1912) comes to the following conclusions with regard to the purchasing power of stock and bond earnings:

"Thus, we see that the investor in stocks has preserved his original investment unimpaired measured in purchasing power (and not in the deceptive gold standard) and had received in addition increments equivalent to 6 per cent. per annum in purchasing power. The investor in bonds by saving all his interest payment and reinvesting would have been able to maintain his principal in purchasing power, but had he done this, he would have had no income. Measured in purchasing power, the investment in stocks shows 6 per cent. per annum better than the investment in bonds. This means that millions of dollars of property value have been transferred silently from bondholders to stockholders during the past 15 years by this automatic, unconscious action on the part of the legal definition of a stock as distinguished from a bond through the hazard which exists in a standard of value resting upon one metal. . . . The judgments of great financiers have been set at naught. Trust funds have been cut in two measured in purchasing power by the strict limitations requiring investments in bonds. One of the greatest financial problems of our day is uncovered in the above comparisons."

I.—PRICES OF SECURITIES, CANADA, 1900-1913.

I.—COMMON STOCKS.

Average of High and Low—Each Month—Quotations From the Annual Financial Review.

(1) BANKS.

Bank of British North America.

QUOTED AT MONTREAL.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....					126		142	149		150	150	149	148	156
February.....	130	129		145			143	150		150	150	150	148	155
March.....		129				135	142	151		155	150	152		
April.....							142	154	145	155	151	150	151	157
May.....	133	128				139	142	154	144		148	150	155	
June.....				138	132	139	143	153	143	154	148	150	157	
July.....	132	130		138			143	143			147	150	155	146
August.....	128				130	141	145	148	144	150	147	150	155	145
September.....					130			153	145	151	147	150	155	150
October.....			130			140	145				148		155	151
November.....		130		124		141	145		147	150	150	150	155	150
December.....	128		138	125	130		146			150	150	148	153	149
Average.....	130.2	129.2	134.0	134.0	129.8	139.1	143.5	151.5	144.4	151.7	148.8	149.9	153.4	151.0
Sales.....	129	42	18	50	89	123	168	91	251	131	203	136	208	123

Canadian Bank of Commerce.

QUOTED AT TORONTO.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	144	148	152	162	152	163	173	178	162	175	198	214	217	222
February.....	147	150	153	166	151	162	179	177	162	176	201	214	218	221
March.....	148	152	153	167	151	164	180	175	162	175	208	220	217	216
April.....	149	155	156	166	155	166	179	174	160	174	212	221	225	215
May.....	149	157	157	163	153	167	180	172	158	175	209	224	224	212
June.....	148	154	157	160	152	166	177	171	158	181	204	208	221	205
July.....	149	157	159	160	152	167	174	171	157	185	202	208	222	203
August.....	149	157	163	158	152	169	177	167	160	183	202	208	223	202
September.....	151	156	164	157	155	169	184	162	161	182	201	208	223	207
October.....	153	157	162	155	159	169	186	163	160	186	206	207	222	205
November.....	151	155	161	152	158	168	180	158	164	189	208	207	223	204
December.....	148	153	160	151	164	169	176	160	169	196	211	213	221	201
Average.....	148.8	154.2	158.1	159.8	154.5	166.6	178.8	169.0	161.0	181.4	205.2	212.7	221.3	209.4
Sales:														
Toronto.....	6103	14622	20017	11572	8533	14468	9282	5394	7142	6524	5829	9946	6537	8511
Montreal.....	1484	1530	917	3489	3498	4019	3336	1804	2864	3061	1639	5703	10633	6681

DEPARTMENT OF LABOUR EXHIBIT

Dominion Bank.

QUOTED AT TORONTO.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	267	238	241	248	226	252	273	265	219	243*	247	235	232	239
February....	268	243	242	249	227	250	280	253	220	245	244	234	229	229
March.....	268	245	242	246	224	250	278	240	222	242	245	237	228	222
April.....	266	247	245	244	226	252	273	243	224	239	242	239	230	223
May.....	264	242	245	242	227	251	271	240	225	239	239	239	230	219
June.....	257	241	244	236	226	249	274	229	225	239	242	242	230	216
July.....	230	239	249	235	227	254	269	228	228	239	237	234	228	215
August.....	236	238	252	231	231	259	267	229	232	244	237	225	230	218
September..	232	239	245	229	236	265	270	231	231	243	238	224	229	222
October....	231	239	240	222	242	268	270	222	230	241	238	225	225	221
November..	232	236	243	222	245	267	266	218	238	241	236	228	224	222
December..	232	236	245	227	250	263	265	220	244	243	233	227	234	222
Average....	247.8	240.3	244.4	235.9	232.3	256.7	271.3	234.8	228.2	241.5	239.8	232.4	229.1	222.3
Sales:														
Toronto....	7245	20396	23210	14140	12614	13750	11594	9614	6205	5189	4015	3483	4857	6171
Montreal..			25	51				245	52	232	2	36	65	91

Bank of Hamilton.

QUOTED AT TORONTO.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	194	192	226	233	206	219	218	214	191	202	206	209	204	210
February....	187	194	227	234	207	219	227	216	189	203	205	207	206	210
March.....	186	206	228	233	207	222	229	208	188	201	205	205	202	206
April.....	186	214	231	233	210	223	228	205	186	201	203	204	200	206
May.....	189	219	233		210	220	230	205	187	202	200	203	201	205
June.....	188	220	233	226	207	217	227	203	186	203	199	201	200	203
July.....	188	222	234	225	205	215		201	187	204	199	201	200	201
August.....	188	223	235	219	206	217	225	198	196	204	198	199	202	200
September..	188	223	234	215	212	221	222	195	193	202	197	199	204	200
October....	187	226	235	213	217	224	219	195	190	201	200	200	207	200
November..	190	227	233	210	217	219	215	187	199	202	201	202	203	204
December..	189	223	231	209	215	215	212	186	201	206	203	199	205	200
Average....	188.3	215.8	231.7	222.7	209.9	219.3	222.9	201.1	191.1	202.6	201.3	202.4	202.8	203.8
Sales:														
Toronto....	398	4570	4428	2164	4770	4634	3161	954	792	1094	1089	1242	1369	898
Montreal..						111				105	25		9	5

Banque d'Hochelaga.

QUOTED AT MONTREAL.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....		133	143	135	133	134	150	159	136	143	144	158	167	165
February....	132	131	143	137	135	134	154	148	136	142	144	161	165	157
March.....	138	132	138	134	135	134	155	148	135	143	144	163	164	153
April.....		139	135	134	138	135	152	149	135	145	145	174	164	158
May.....	140	142	135	131	138	135	152	149	136	145	145	178	164	159
June.....	136	141	136	131	133	134	150	147	134	145	144	173	165	156
July.....		138	136	130	133	136	153	147		145	144	171	173	154
August.....	136	138	138	130	134	139	154	146	135	144	144	169	179	151
September...		143	138	131	133	142	153	140	135	147	143	168	175	153
October.....	135	143	136	131	133	142	161	140	139	145	147	170	171	154
November....		143	140	130	135	143	161	138	146	144	151	168	170	150
December....	132	140	135	127	133	142	159	136	149	143	153	168	170	150
Average.....	135.6	138.6	137.8	131.8	134.4	137.5	154.5	145.6	137.8	144.3	145.7	168.4	168.9	155.0
Sales.....	550	1986	1823	1448	802	1838	3392	1257	981	1840	1369	2059	2516	1197

Imperial Bank of Canada.

QUOTED AT TORONTO.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	211	219	231	238	213	235	235	227	214	233	235	225	227	224
February....	209	224	233	239	214	239	246	223	211	232	234	225	227	221
March.....	209	229	233	239	216	240	247	220	211	230	238	230	226	219
April.....	213	231	236	239	218	240	245	223	211	227	235	233	226	218
May.....	217	233	242	237	219	239	247	221	212	229	227	230	229	216
June.....	218	232	245	228	219	234	248	219	214	229	226	227	230	212
July.....	217	233	250	231	220	229	242	219	218	229	224	226	222	209
August.....	218	233	240	228	219	234	232	218	222	230	225	223	221	210
September...	217	231	239	225	227	236	234	217	222	229	225	222	225	212
October.....	219	232	239	222	233	236	231	213	220	228	222	224	221	212
November....	222	233	238	216	230	233	229	202	225	226	221	224	220	211
December....	217	230	235	214	229	227	227	210	230	229	224	224	224	212
Average....	215.6	230.0	238.4	229.7	221.4	235.2	238.6	217.7	217.5	229.3	228.0	226.1	224.8	214.6
Sales:														
Toronto....	1935	3142	4070	2734	1489	6086	10357	4105	3045	2201	3106	2577	4503	3960
Montreal....				16		154	133	30	6	43	10	44	24	48

Merchants Bank of Canada.

QUOTED AT MONTREAL.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	162	154	148	166	151	163	164	169	156	163	175	186	198	197
February....	161	157	148	171	152	170	167	168	158	164	177	185	198	196
March.....	161	159	149	170	154	171	166	166	156	161	177	187	196	190
April.....	161	160	149	163	154	172	168	164	157	163	179	192	195	192
May.....	161	159	148	167	158	170	167	161	157	164	179	190	193	193
June.....	153	156	149	159	156	167	170	160	155	163	176	195	192	189
July.....	153	153	152	161	157	162	172	161	154	165	180	199	192	184
August.....	153	152	157	158	157	162	174	161	153	168	186	195	193	183
September..	157	153	162	154	158	163	174	160	154	165	185	195	192	186
October....	157	153	162	153	160	164	173	158	155	166	185	199	196	186
November..	157	153	162	152	160	162	170	155	160	165	185	197	194	186
December..	156	151	161	151	163	161	169	152	165	167	184	199	195	186
Average....	157.7	155.0	153.9	160.8	156.7	166.0	169.5	161.3	156.7	164.5	180.7	193.3	194.5	189.0
Sales:														
Montreal..	2001	1911	2747	1995	1647	2055	3600	2394	1308	2399	3470	3562	3879	1957
Toronto....	148	214	195	107	168	251	208	261	110	310	235	221	338	238

The Molsons Bank.

QUOTED AT MONTREAL.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	193	191	208	215	196	222	227	210	198	209	207	206	207	203
February....	193	193	209	215	199	223	227	213	199	208	209	208	211	202
March.....	192	197	211	212	200	227	229	207	198	207	207	210	208	200
April.....	193	198	208	201	200	228	226	204	196	204	211	208	207	197
May.....		200	211	199	200	229	228	205	197	205	208	208	207	197
June.....	182	200	214	199	201	228	227	204	199	203	210	209	206	195
July.....	184	204	215	199	203	226	227	204	196	201	205	208	206	191
August.....	184	206	216	201	204	226	227	201		203	205	207	209	190
September..	186	205	216	200	210	230	226	199	194	202	208	206	208	193
October....	183	204	215	196	214	226	222	197	193	201	209	205	206	196
November..	190	206	216	197	219	227	218	190	201	202	210	206	205	196
December..	191	208	215	195	219	226	210	186	204	207	208	206	204	194
Average....	188.3	201.0	212.8	202.4	205.4	226.5	224.5	201.7	197.7	204.3	208.1	207.3	207.0	196.2
Sales:														
Montreal..	4748	4105	2504	2165	2363	970	1110	1362	1990	1999	3071	2811	3432	1971
Toronto....		20		84	5	27	6	25	55	13	127	186	56	99

Bank of Montreal.

QUOTED AT MONTREAL.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	259	258	259	275	248	256	258	256	236	247	256	248	246	245
February....	259	259	256	262	249	256	259	253	239	246	254	252	247	249
March.....	258	259	253	256	248	257	258	249	235	247	254	251	246	238
April.....	262	259	259	256	248	259	259	247	234	249	251	255	250	234
May.....	261	257	261	254	247	257	257	246	232	250	253	256	253	232
June.....	255	256	258	248	245	253	255	247	233	251	250	257	251	227
July.....	252	254	257	250	246	256	256	248	234	253	247	264	249	229
August.....	254	256	258	253	245	256	254	241	232	253	244	267	249	229
September..	258	259	260	250	247	258	254	238	232	252	250	255	250	233
October....	258	260	261	249	251	258	258	232	232	251	251	244	246	233
November...	261	259	267	253	252	260	257	234	241	251	247	243	245	228
December...	258	260	271	249	252	255	256	229	247	251	245	245	245	231
Average....	257.9	258.0	260.4	254.6	248.2	256.8	256.8	243.3	235.6	250.1	250.2	253.1	248.1	234.0
Sales:														
Montreal...	1249	1347	1775	2374	3270	2639	2583	3546	3610	3856	4273	6091	4334	3408
Toronto....	71	159	33	67	191	191	25	57	184	117	143	233	27	223

Bank of Nova Scotia.

QUOTED AT MONTREAL.*

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	225	228	245	.....	.....	277	285	292	276	283	281	276	277	265
February....	225	231	247	.....	267	265	287	291	279	284	283	277	276	263
March.....	.....	231	247	280	264	.....	278	293	281	285	282	274	277	261
April.....	220	.....	250	280	263	261	275	290	280	283	284	274	275	264
May.....	.....	233	250	.....	.....	264	275	288	281	283	281	271	275	263
June.....	.....	234	250	274	.....	.....	276	.....	280	277	281	271	275	258
July.....	.....	.....	.....	.....	270	270	275	282	278	279	280	272	276	255
August.....	.....	230	.....	270	.....	263	.....	277	277	281	275	272	266	253
September..	.....	231	253	270	.....	267	287	277	277	279	278	279	262	258
October....	226	232	259	.....	.....	267	290	277	274	278	278	278	267	256
November...	229	237	.....	269	.....	270	298	277	281	279	281	279	268	255
December...	228	.....	262	269	.....	273	293	275	284	278	280	278	264	258
Average....	225.5	231.0	252.0	273.1	266.0	267.7	283.5	283.5	279.0	280.8	280.4	275.1	271.5	259.1
Sales:														
Montreal...	210	.....	21	142	52	251	607	750	425	367	681	1293	2454	2987
Toronto....	118	160	263	203	63	77	216	194	194	129	545	323	345	290

*Quotations for 1900, 1901 and 1902 from Toronto.

DEPARTMENT OF LABOUR EXHIBIT

Bank of Ottawa.

QUOTED AT TORONTO.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....			210	224	209	215	223	222			205	210	209	209
February.....			210	220		218	230			212	210	209		207
March.....			211	220		220	230	220		205	210			207
April.....			213	215		220	229	222					208	208
May.....		201		218		217	230					208	209	209
June.....	205		216	210		217	226						210	203
July.....			217	211			223						210	203
August.....			218			220	228				206	208		203
September.....			222	217	214	225	226	213	204		211		211	203
October.....			222	216	213	227	225		205				210	203
November.....			226	213	215	230	220						210	203
December.....		207	221	210	214	223	224				210			210
Average.....	205.0	204.0	216.9	215.8	213.0	221.1	227.0	219.2	204.5	208.5	208.7	208.6	209.4	205.9
Sales:														
Toronto.....	20	348	1286	930	164	477	395	92	38	42	282	170	251	298
Montreal...	73	220	35	74			20	25		94	105	68	102	122

Quebec Bank.

(QUOTED AT MONTREAL).

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	126	121	111	117	119	129	141	137	121	121	123	134	132	131
February.....		120	113	119	119	130	142	137	121	123	126	142	136	129
March.....	126	119	115	120	119	130	143	140	122	124	127	139	134	125
April.....	126	120	116	120	124	132	143	136	123	125		139	134	124
May.....		116		125	128	132	142	135	124	124	125	138	136	124
June.....	124	113	119	118	127	132	143	132	126	124	123	136	137	122
July.....	124	114	118	119	128	132	141	132	131	124	123	136	137	122
August.....	124		118	118	128		143		124	124	123	137	136	122
September.....	124	111	120	119		137	142		123	125	124	139	133	122
October.....	124	115	119	119	127	140	143	130	123	123	124	137	134	123
November.....	123				129	140	140	129	121	123	130	134	134	123
December.....	120	111	116	120	128	141	140	122		123	128	134	132	120
Average.....	124.1	116.0	116.5	119.5	124.9	134.1	142.3	133.0	123.5	123.6	125.1	137.1	134.6	123.9
Sales.....	458	895	456	451	546	411	375	471	598	1166	1553	3022	1964	931

The Royal Bank of Canada.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....				215	204	212	226	241	221	231	230	240	224	224
February.....				221	202	214	231	237	223	221	232	239	231	225
March.....				220		218	224	236	223	219	231	239	231	232
April.....						217	223	236	222	221	234	238	231	221
May.....				220	202	215	226	235	222	226	233	238	232	231
June.....					204	212	233		220	232	236	240	230	217
July.....					207	204	234	230	218	231	240	239	229	215
August.....				206	204	215	236	226	215	227	241	238	228	214
September.....	175			207		215		225	216	227	241	239	226	218
October.....	175			203	205	218	239	225	213	226	244	239	225	232
November.....				206	206	225	244	220	223	226	245	239	223	232
December.....					207	223	241	218	231	225	243	232	223	220
Average.....		175.0		212.9	205.1	216.8	232.5	229.9	220.6	226.0	237.5	238.3	227.8	220.1
SALES:														
Montreal.....		100		179	164	1,110	1,140	900	793	1,436	4,236	2,761	0,611	3,938
Toronto.....									5	20	83	146	1,336	1,256

The Standard Bank of Canada.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	194	227	237	254	227	238	230	229	214	240	230	222	236	227
February.....	198	231	239	253	225	235	235	228	216	233	231	221	236	225
March.....	198	233	241	254		237	234	223	218	229	232	227	234	224
April.....	198	233	241		230	236	237	221	214	226	231	230	235	222
May.....	201	231			225	236	243	220	218	228	228	227	235	219
June.....	195	232	241	241	228		248	218	219	229	226	222	235	217
July.....	194	232	242	241	231	221	245	216	219	228	224	221	224	211
August.....	194	233		243	238	230	247	216	220	228	224	219	223	210
September.....			247		238	231	242	217	219	229	224	219	226	212
October.....	197	231	250		238	235	235	216	217	228	224	222	222	212
November.....	223	234	247		239	230	231	213	223	227	220	223	222	210
December.....	223	233	251		240	230	227	214	231	228	221	229	223	210
Average.....	201.4	231.8	243.6	247.7	232.6	232.6	238.3	219.3	219.0	229.4	226.3	223.5	229.3	216.6
SALES:														
Toronto.....	1,297	720	578	153	459	676	4,047	1,822	1,252	2,968	1,656	1,440	2,000	3,467
Montreal.....			47				35	5		187	31		12	

DEPARTMENT OF LABOUR EXHIBIT

Bank of Toronto.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	243	239	231	256	226	237	237	234	206	226	219	213	209	211
February....	240	240	231	257	228	236	248	234	207	226	220	212	209	209
March.....	236	.....	231	256	226	240	.....	224	208	218	217	212	210	206
April.....	239	241	239	255	228	243	247	219	207	221	217	213	210	207
May.....	239	246	245	242	225	245	248	217	.....	220	215	218	209	207
June.....	236	249	244	231	226	228	243	218	205	220	215	217	210	204
July.....	235	248	246	233	225	232	233	217	210	217	.....	214	209	203
August.....	.....	235	249	231	226	237	234	244	214	219	212	208	209	203
September..	236	235	246	229	231	238	234	213	.....	216	212	204	209	204
October....	236	234	244	223	233	239	233	205	206	218	213	204	209	205
November..	239	231	253	220	230	239	231	203	214	217	211	203	212	205
December..	239	229	254	226	232	236	223	203	221	217	213	205	209	203
Average....	238.0	238.8	242.8	238.3	228.0	237.5	237.4	216.8	209.8	219.6	214.9	210.3	209.5	205.6
SALES:														
Toronto...	1,039	2,406	2,287	1,291	1,079	1,310	887	520	486	451	1,028	1,838	2,564	867
Montreal..	196	392	585	641	164	826	869	590	195	152	262	613	746	233

Union Bank of Canada.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	110	106	104	132	132	140	144	151	125	136	141	149	151	152
February....	110	106	.....	139	132	141	147	147	125	135	143	152	162	151
March.....	105	106	.....	135	131	142	149	149	124	135	143	150	161	150
April.....	107	.....	103	.....	132	145	151	146	126	136	144	150	164	148
May.....	112	106	120	135	132	144	154	146	130	.....	144	149	164	146
June.....	107	.....	123	131	130	.....	154	.....	132	135	143	148	162	138
July.....	107	.....	123	131	135	145	155	.....	133	133	143	149	158	138
August.....	108	104	.....	133	136	145	154	140	133	134	141	149	155	139
September..	108	105	.....	134	137	145	157	135	131	135	143	150	152	141
October....	106	.....	.....	134	.....	146	157	130	129	135	148	149	153	139
November..	.....	105	.....	.....	.....	146	.....	125	128	134	149	148	150	138
December..	106	.....	126	133	141	145	154	125	132	137	149	147	160	139
Average....	107.8	105.4	117.9	133.7	133.8	144.0	152.4	139.4	129.0	135.0	144.3	149.2	156.8	143.3
SALES:														
Montreal..	260	135	254	549	177	463	699	590	659	702	806	1,990	7,311	1,548
Toronto....	.....	.....	.....	.....	.....	.....	.....	17	95	155	215	422	2,337	1,035

(2) INDUSTRIALS.

Canadian Coloured Cotton Mills Company, Limited.*

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	
January....	70	79								55	59	50	53	58	
February....	75	77	60							51	61	56	53	58	
March.....	79	77	60	50	44		45	55	50	49	64	57	54	58	
April.....	80		60		43	24				49	63	54	55	60	
May.....	81	65	55		33	22	53	54		52		52	56	59	
June.....	83	65	59		30		57	51	48	52	54	52	55	56	
July.....	81	64	58				50	53		54	54	49	55	54	
August.....			60				50			55		47	56	56	
September..	81		54					51		59		50	57	58	
October....		55		42			60		48	60		52	56	55	
November..	85			45		40		50	52	61	54†	54	56	54	
December..	81	55	50	45	30	42	57	50	54	60	54	53	58	56	
Average....	79.6	67.1	57.3	45.5	36.0	32.0	53.1	52.0	50.4	54.8	57.9	52.2	55.3	56.8	
SALES:															
Preferred...	1,061	596	811	350	508	429	1,293	264	4,185	8,598	4,456		6,703	12,984	15,701
											127				

* In August 1911 the name of the company was altered to "Canadian Cottons, Limited." The capitalization of the old Company was as follows:

	Authorized	Issued
Bonds, 6%.....	2,000,000	2,000,000
Common Stock.....	5,000,000	2,700,000

The securities of Canadian Cottons, Limited were:—

Bonds, 5%.....	5,000,000	3,800,000
Pfd. 6%, non-cumulative.....	8,000,000	3,575,000
Common Stock.....		2,700,000

The holders of the \$2,000,000 bonds, which bonds expired in 1912, were permitted to exchange them for the bonds of the Canadian Cottons, Limited, bond for bond; otherwise they might sell them. The shareholders of the Canadian Coloured Cotton were given the right to exchange their common stock for the non-cumulative, preferred, 6 per cent. stock of the Canadian Cottons, Limited, at the ratio of four old for three new. In addition, the shareholders of the Coloured Cotton Company had the right, *pro rata* their old holdings, to purchase \$1,000,000 of the new preferred stock, at par, each of such preferred shares carrying with it a bonus of two shares of new common. Therefore, the \$2,700,000 old common stock, plus \$1,000,000 cash, would receive \$3,025,000 preference and \$2,000,000 new common.

† In order to make the stock record complete to 1913, quotations for the Preferred stock of the new Company have been used from November 1910, the prices indicated being three-quarters of the actual prices quoted, since the Preferred was issued at the ratio of three to four.

Canadian General Electric Company, Limited.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	170	193	222	201	143	172	150	131	99	103	115	103	112	115
February....	177	202	219	211	142	175	148	131	98	108	118	103	112	113
March.....	174	217	220	196	141	173	149	126	92	106	116	104	113	112
April.....	167	223	224	181	143	163	146	129	91	115	115	109	111	114
May.....	166	220	223	182	147	140	144	129	86	118	108	109	110	113
June.....	167	227	210	165	146	141	144	126	85	116	104	104	111	108
July.....	162	225	208	156	141	150	141	119	93	118	101	111	116	106
August.....	162	227	210	154	143	154	142	112	99	120	104	110	113	110
September..	167	225	210	156	153	155	140	108	101	120	109	107	115	113
October....	169	223	202	142	162	153	136	96	99	119	108	106	117	109
November..	178	224	203	140	170	153	135	90	103	116	106	111	118	107
December..	189	224	198	142	170	152	137	98	106	112	100	111	115	105
Average....	170.6	219.2	212.4	168.8	150.1	156.7	142.7	116.3	96.0	114.3	108.7	107.3	113.5	110.4
SALES:														
Toronto...	8,635	24,907	18,222	23,927	32,589	32,865	23,059	19,158	7,035	4,178	3,029	6,812	20,268	6,057
Montreal..		175	23		125	300	27	60	307	80	32	621	3,643	814

Canadian Salt Company, Limited.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....						110						110		118
February.....											110	105		120
March.....						110						100	110	115
April.....				119	115	110						100	114	116
May.....												112	100	115
June.....							110					113		113
July.....									110	110	110	100	115	113
August.....										112	110			115
September.....			120								110			115
October.....			127			110							100	125
November.....			124		113					112			100	115
December.....				115			108		109	112			105	115
Average.....			123.7	117.0	114.0	110.0	109.0		109.5	111.5	100.9	102.2	114.4	117.5
SALES:														
			641	80	274	63	70		3	92	161	61	258	204

Dominion Iron and Steel Company, Limited.*

(QUOTATIONS AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....			28	59	9	18	28	21	16	20	69	58	59	57
February.....			33	53	8	19	31	21	16	30	68	59	60	54
March.....			35	39	43	9	22	32	21	16	33	70	59	58
April.....			36	61	28	10	22	31	20	17	34	68	60	58
May.....			36	60	23	11	21	29	20	18	36	66	56	49
June.....			33	54	15	9	22	29	21	17	41	60*	58	44
July.....			32	59	17	8	23	27	22	15	45	55	55	44
August.....			26	71	10	10	23	28	21	16	45	60	52	47
September.....			24	70	12	12	22	29	21	17	49	64	56	48
October.....			25	56	9	14	23	28	17	16	57	62	59	42
November.....			28	57	8	17	21	25	14	19	64	61	58	41
December.....			27	58	9	19	24	25	15	21	70	61	57	40
Average.....			30.2	53.8	23.8	11.3	21.7	28.5	19.5	17.0	43.7	63.7	57.3	47.4
SALES:														
Montreal.....		20,381	64,125	216,539	55,936	132,519	182,529	124,353	63,684	68,751	201,682			
Dominion Steel Corporation Ltd.....											176,969	251,168	309,594	139,579
Toronto.....		6,906	17,928	64,983	21,283	20,394	7,701	1,927	4,958	15,388	22,136			
Dominion Steel Corporation, Ltd.....											8,862	7,285	39,832	21,675

* Quotations from June 1910 are of the common stock of the Dominion Steel Corporation, Limited.

Lake of the Woods Milling Company, Limited.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....							91	.....	76	102	143	140	137	139
February.....							95	90	78	102	147	140	134	141
March.....							98	79	83	101	149	138	135	134
April.....						111	98	77	85	104	141	136	140	135
May.....						100	94	77	85	111	134	135	140	133
June.....						103	95	75	87	116	130	140	137	126
July.....								72	87	123	124	146	140	125
August.....							91	69	90	130	130	145	137	127
September.....						100	96	76	92	132	128	146	136	137
October.....						95	97	71	92	138	127	145	136	134
November.....						90	90	69	96	131	127	144	132	132
December.....						91	90	71	97	137	133	137	129	130
Average.....						98.6	94.1	75.1	87.3	118.9	134.4	141.0	136.1	132.7
SALES:														
Montreal.....						10,857	8,841	11,567	21,699	57,471	17,167	20,307	4,971	7,097
Toronto.....						4,765	2,991	599	4,595	7,202	372	90	.....	115

Laurentide Paper Company, Limited. §

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....		123	100	95	75	83	99	93	99	114	133	191		
February.....		118	100	92	70	98	100	90	98	114	129	208		
March.....		111	100	92	.....	93	95	90	100	115	131	211		
April.....			99	.....	.....	86	.....	90	105	115	133	215		
May.....		110	100	.....	.....	.....	98	92	106	122	145	217		
June.....			99	85	.....	.....	95	90	105	125	141	222		
July.....			99	.....	.....	.....	91	103	125	135	228			
August.....				85	.....	90	94	89	102	127	140	227		
September.....			100	80	.....	.....	.....	87	100	128	147			
October.....		95	99	79	73	90	95	90	101	126	152			
November.....	113	100	99	75	77	81	92	81	106	121				
December.....	117	100	.....	.....	80	.....	93	.....	109	123	169			
Average.....	115.0	108.1	99.5	85.4	75.0	88.7	95.7	89.4	102.8	121.2	141.4	214.9		
SALES:														
Montreal.....	880	705	2,450	801	389	450	3,238	1,418	4,233	2,920	2,337	4,749		
Toronto.....	Listed	March	31st,	1908.	.....	.....	.....	.....	313	225	474	191		

§ The Laurentide Paper Company was sold June 1st, 1911 to the Laurentide Company, Limited. The shares of the new Company were allotted amongst the shareholders of the old Company in the proportion of two shares of the new company's stock for each share of the stock of the Laurentide Paper Co., Ltd. surrendered for exchange. The exchange of all the issued stock of the new company for the shares of the old company gave the shareholders of the Laurentide Paper Company exactly the same proportionate interest in the issued stock of the new company as in the old. The new stock was listed October 25, 1911.

Montreal Cotton Company, 1912-13, Montreal Cottons, Limited.*

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	145	139	121	128	103	103	128	128	105	123	130	130	156	165
February....	146	141	128	130	107	99	129	124	109	123	132	144	152	166
March.....	148	138	130	128	108	99	128	123	.....	112	119	136	151	162
April.....	141	130	125	125	107	99	125	.....	112	119	136	151	151	162
May.....	143	131	128	124	107	110	125	118	113	123	136	152	156	163
June.....	138	134	128	118	109	113	.....	125	106	126	131	151	160	159
July.....	137	131	127	122	105	116	123	.....	.....	128	129	156	164	155
August.....	.....	130	129	113	98	117	128	.....	107	129	.....	154	165	160
September..	.....	130	133	113	103	120	130	119	105	127	129	152	165	158
October.....	139	116	128	109	101	122	130	.....	109	130	134	148	169	157
November...	135	121	.....	110	104	119	132	105	121	130	133	149	169	156
December...	139	116	124	105	103	130	133	103	121	129	130	150	166	152
Average....	141.1	129.7	127.4	118.8	104.6	112.2	123.3	118.1	110.8	125.5	132.0	149.1	160.1	159.6
SALES:														
Preferred..	1,107	4,231	2,148	1,163	2,250	9,733	3,204	576	2,343	3,219	1,384	5,731	8,383	1,402
													5,525	2,154

*On August 17th, 1911, the shareholders of the Montreal Cotton Company were invited to change their shares for shares of Montreal Cottons, Limited, on the basis of one share of the former in exchange for one share of preferred and one share of common in the latter company. The new stock was listed December 13th, 1911. See also Table of Dividends..

Nova Scotia Steel and Coal Company, Limited.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....				109	80	66	70	71	58	57	73	89	94	85
February....			68	111	75	67	69	74	58	60	83	95	95	83
March.....			85	98	77	64	63	73	57	57	85	99	95	79
April.....			107	101	76	64	63	72	53	58	83	98	94	81
May.....			111	96	75	61	64	71	52	64	79	99	96	81
June.....			107	86	72	55	67	68	47	67	83	100	95	75
July.....			110	93	61	55	66	68	46	68	82	98	94	73
August.....			114	85	59	62	70	64	49	71	84	96	92	76
September..			114	81	65	65	68	66	49	72	85	96	92	80
October.....			104	72	65	65	66	55	49	74	84	95	88	78
November...			103	74	65	67	68	52	52	80	85	95	86	77
December...			103	78	68	68	68	56	56	76	86	94	85	76
Average....			102.4	90.3	69.8	63.3	66.7	65.8	52.2	67.0	82.6	96.1	92.1	78.6
SALES:														
Montreal..			40,799	37,389	47,426	42,733	27,629	22,576	16,129	47,639	106,677	57,280	15,267	11,444
Toronto...			76,691	29,896	55,872	39,495	31,291	9,746	8,148	25,613	17,776	3,335	333	375

(3) LAND, LOAN, MORTGAGE AND SAVINGS COMPANIES.

Canada Landed and National Investment Company, Limited.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	82	78	99	107	103	109	119	124	116	136	160	156	161	160
February....	84	85	100	107	103	112	122	125	119	143	160	159	157	170
March.....	85	91	100	107	103	116	124	124	120	151	161	161	159	164
April.....	82	95	101	108	104	118	124	123	120	155	160	162	159	165
May.....	81	96	105	108	106	118	124	123	121	155	159	161	160	164
June.....	83	98	106	105	105	118	125	121	120	159	160	161	161	
July.....	80	98	107	104	105	116	122	122	121	156	156	157	162	157
August.....	80	96	108	102	105	118	122	123	126	.....	150	157	163	157
September..	79	96	109	102	104	118	121	122	127	154	153	159	165	155
October.....	79	98	107	100	105	119	121	119	.....	151	151	.....	167	153
November..	78	100	107	101	105	120	120	117	127	151	152	165	165	153
December..	77	102	106	102	111	119	125	115	127	152	154	169	157	159
Average....	80.8	94.4	104.5	104.4	104.9	116.7	122.4	121.5	122.2	151.1	156.3	160.1	161.3	159.7
SALES:.....	576	1,217	1,403	1,393	790	621	922	1,214	532	774	1,097	767	1,860	731

Canada Permanent Mortgage Corporation.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....		109	123	121	122	123	128	125	117	149	163	163	178	196
February....		114	122	122	123	123	129	125	121	159	166	166	183	198
March.....		116	121	122	122	128	129	124	124	160	169	169	183	193
April.....	117	119	121	123	122	129	129	125	126	162	169	170	188	191
May.....	114	121	122	123	122	129	128	125	128	163	168	169	196	191
June.....	114	124	123	122	121	128	127	123	130	161	169	170	188	190
July.....	111	123	120	120	119	127	125	121	130	159	166	167	195	186
August.....	111	123	120	120	119	128	127	121	135	161	163	169	199	181
September..	111	124	120	119	121	130	127	119	137	160	162	169	197	183
October.....	112	124	120	119	123	128	127	118	138	160	166	168	196	184
November..	109	124	121	120	122	128	126	115	141	159	162	171	194	187
December..	110	124	121	122	123	129	126	114	143	161	160	175	194	187
Average....	112.1	120.4	121.1	121.1	121.5	127.5	127.5	121.3	130.8	159.5	165.3	168.8	190.9	188.8
SALES:.....	18,659	33,865	38,057	27,457	21,288	21,736	19,641	26,444	55,655	31,921	14,893	22,163	15,322	21,220

Dominion Savings and Investment Society.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	76		71	70	70		70			71				
February.....	76		71	70			70						73	75
March.....	76		70	70				71			72	72		
April.....		71			70					71	72	72		
May.....	76		70				71		70		73		77	
June.....	75			70						72			78	77
July.....	75	70		70	70		73				72	72	77	79
August.....		72	70	70			73	70				72		
September.....			70		70		73	70	72					
October.....	71	74	70		70		70	70					78	
November.....			70			70		70			72			77
December.....			70				72		70		72			
Average.....	75.0	71.9	70.2	70.0	70.0	70.0	71.7	70.3	70.6	71.3	72.2	72.2	77.0	77.7
SALES:.....	268	187	139	236	243	11	108	377	134	23	138	114	113	19

Hamilton Provident and Loan Society.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	110	112		119	119		120	124		119				132
February.....		112				119	121	122		119	120		134	
March.....		112	117							124	130	133	135	
April.....		115	119				123							136
May.....			120					124	118			133		135
June.....				119	120	121			120					
July.....	110	115					121	120				130		
August.....							122			125				
September.....			121			121	122					131	134	
October.....	112	115	121	119		121	123		120		130		134	
November.....		116	121			122	124		119					
December.....		117		120									134	137
Average.....	110.9	114.3	119.8	119.2	119.5	120.8	122.0	122.4	119.2	121.8	129.6	131.8	134.2	135.0
SALES:.....	24	166	130	113	35	115	94	151	117	81	98	52	142	31

Huron and Erie Loan and Savings Company.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....							183		175	182				214
February.....	179	173			180		183		178			202		217
March.....				185				185	179		202	200		218
April.....				185	180			186	179			201		217
May.....		180						186			202	202		217
June.....		185							182		199			212
July.....					180	185		183		197			205	212
August.....			180				185	182						211
September.....			181				187	180					204	212
October.....				180	183	185		180					204	212
November.....				180	185		185	175	182		200		205	212
December.....					183				180		201			210
Average.....	179.0	183.0	183.0	183.0	183.7	185.0	185.0	182.1	179.3	180.5	200.8	201.8	204.5	214.0
SALES:.....	140	118	27	100	437	10	153	503	509	206	204	169	47	633

Landed Banking and Loan Company.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....				119										
February.....										122				
March.....							123			127				131
April.....		114		121			124	122					140	134
May.....		115					125	124						135
June.....				119										
July.....							121					134	129	133
August.....		114			120				120	127				133
September.....	111			119			123				130	137	140	133
October.....							122		120					
November.....			121			122					133	133		135
December.....														139
Average.....	111.0	114.3	121.0	119.5	120.0	122.0	123.0	123.0	120.0	125.3	131.5	136.8	139.7	134.1
SALES:.....	15	33	15	35	5	6	67	50	23	25	23	24	35	126

London and Canadian Loan and Agency Company, Limited.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	56	61	88	94	90	99	106	106	100	108	112	108	121	119
February....	53	67	82	99	90	100	107	108	95	109	111	113	127	122
March.....	55	76	.....	100	90	99	107	108	93	111	111	116	125	121
April.....	58	.....	90	99	91	100	108	107	98	113	110	115	124	120
May.....	61	82	100	98	92	99	110	107	98	115	111	115	121	121
June.....	61	.....	100	94	94	100	109	107	101	114	110	114	122	121
July.....	90	.....	94	94	99	108	104	102	113	.....	115	120	.....	.....
August.....	.....	99	93	93	100	108	103	106	111	110	114	.....	.....	.....
September....	.....	85	96	92	93	100	110	101	106	111	111	116	121	114
October.....	.....	84	94	91	96	105	109	.....	106	110	.....	.....	121	120
November.....	.....	89	.....	90	100	104	108	.....	.....	.....	109	119	124	118
December....	.....	89	.....	92	99	105	109	100	110	115	109	120	120	122
Average....	57.3	80.3	93.6	94.7	93.5	100.8	108.3	105.1	101.3	111.8	110.4	115.0	122.3	119.8
SALES:.....	2,015	591	747	2,858	1,647	1,919	549	761	619	742	999	667	955	1,085

Montreal Loan and Mortgage Company.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	.....	.....	.....	135	.....	.....	136	.....	.....	132	145	148	140	.....
February....	140	.....	137	135	.....	135	.....	.....	133	137	.....	150	.....	190
March.....	.....	.....	.....	.....	.....	.....	133	.....	.....	142	155	157	.....	.....
April.....	140	.....	138	133	.....	.....	.....	135	.....	.....	.....	146	150	175
May.....	.....	.....	138	.....	.....	.....	136	133	132	140	.....	.....	150	.....
June.....	.....	135	.....	.....	.....	135	.....	.....	.....	.....	148	143	165	.....
July.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	143	165	.....
August.....	.....	137	138	.....	.....	135	.....	.....	134	.....	.....	.....	.....	.....
September....	136	.....	.....	.....	.....	.....	.....	.....	.....	.....	145	140	165	.....
October.....	.....	.....	.....	.....	133	.....	138	.....	134	.....	145	139	168	.....
November....	.....	.....	.....	.....	.....	135	.....	131	.....	.....	.....	140	165	175
December....	.....	.....	.....	.....	.....	.....	136	.....	.....	.....	145	.....	.....	.....
Average....	138.6	138.0	137.8	134.3	133.0	135.0	135.8	133.0	133.2	137.8	147.2	145.1	158.5	180.0
SALES:.....	154	49	114	345	90	178	326	384	227	85	88	1,261	227	73

Ontario Loan and Debenture Company.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	121	121			120			133	128					
February.....	122							134				156		172
March.....		122					128		130		150			
April.....			122	123	123			135		142				167
May.....								135				163		
June.....				123						139				
July.....		121			121			131				165	165	
August.....							138							
September.....	121													168
October.....			123			130					148			167
November.....			123				139				155	163	164	
December.....						129						164	165	
Average.....	121.3	121.5	122.2	123.0	121.3	129.5	135.0	133.6	129.0	140.5	151.0	162.2	164.7	168.3
SALES:.....	119	136	194	21	354	12	123	231	52	12	72	446	82	236

Real Estate Loan Company of Canada, Limited.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	63		75		80		85		85	94			100	100
February.....				80	80				87				98	
March.....	64	70			80					101				
April.....					80							99		107
May.....								87	90	102			100	
June.....							85	87		103		99		
July.....		75	65				85		88	103	101	99		103
August.....					80		87	85		103		99	95	
September.....			80		80		87	85		103		99		103
October.....					80		89			103		98	100	
November.....							90		92			100	105	
December.....		70	80		85		90				101	100	100	102
Average.....	63.5	72.5	75.0	80.0	80.6		87.2	86.0	88.5	101.5	101.0	99.1	99.7	103.0
SALES:.....	20	325	67	90	149		278	72	74	199	45	170	119	13

Toronto Mortgage Company.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....		76	92	91		104	106	111	106	116	130	130	132	134
February....	78	77	94	92	90	107	107	111	106	116	136		136	140
March.....	79	78	93	92	91	106	108	110	107	121	139	133	138	
April.....	79		93	92		108	109	111	109	125	137		137	142
May.....	79	81	94	94	91		111	110	109	125	135	140	137	153
June.....	78	84	93	89			112	110	111	126	135		135	153
July.....	79	87	93	89	91	106	112		110	126	131	134		149
August.....	78	89	90	85	92		112	109	110		131		133	
September..	78		91	88	93	109		110	111	127	133	130	132	147
October.....	78	89	91	87	94	108	114	109	112	130	130		133	145
November..	78	95	91	87	95	108	113	106		129	130	133	135	
December..	76	93			101		114	109	112	128	130	131	135	141
Average....	78.2	84.9	92.3	89.6	93.1	107.0	110.7	109.6	109.3	124.5	133.1	133.0	134.8	144.9
SALES:.....	559	459	552	322	257	383	529	200	364	436	357	207	414	210

(4) LIGHT AND POWER COMPANIES.

Consumers' Gas Company, of Toronto.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	223	211	215	213	210	211	207	204	186	200	205	199	194	189
February....	202	214	215	213	210	211	208	202	189	206	206	202	194	187
March.....	211	215	214	214	209	212	206	201	193	206	205	200	194	181
April.....	215	213	213	211	206	209	203	200	193	206	202	196	194	178
May.....	213	217	211	210	206	209	205	198	194	207	201	195	193	180
June.....	214	216	214	208	202	210	205	191	195	206	201	196	193	175
July.....	215	214	211	209	201	209	204	194	192	204	199	194	191	173
August.....	215	214	213	209	199	210	205	196	193	205	202	193	193	177
September..	216	215	213	209	203	210	206	195	195	206	204	194	194	178
October....	212	218	212	206	207	209	202	190	197	205	201	193	194	180
November..	214	218	211	202	216	209	203	186	196	205	200	193	193	172
December..	214	217	213	208	214	207	205	184	198	204	199	194	191	167
Average....	213.6	215.2	212.9	209.3	206.9	209.7	204.9	195.1	193.4	205.0	202.1	195.8	193.2	178.1
SALES:.....	1,872	1,423*	1,307	1,157	6,128	6,083	5,423	3,814	4,710	3,519	5,363	6,156	3,721	4,382

* First half-year only.

Mexican Light and Power Company, Limited.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....							68	54	49	80	66	89	84	81
February.....							67	54	51	79	72	92	84	78
March.....							66	50	50	75	78	87	82	76
April.....							63	48	47	75	78	84	81	
May.....							61	48	50	72	77	83	87	71
June.....							61	46	56	70	77	82	97	63
July.....							57	44	62	64	76	85	95	
August.....							58	40	74	69	75	87	94	61
September.....							53	43	77	69	85	85	94	64
October.....							50	41	73	70	88	88	85	53
November.....							53	38	73	71	86	89	83	45
December.....							56	44	74	74	86	87		
Average.....							59.4	45.8	61.3	72.3	78.7	86.5	87.8	65.8
SALES:														
Montreal.....							25,308	18,412	67,985	39,837	7,525	8,073	8,974	2,231
Toronto.....							24,912	12,755	49,839	19,169	2,511	1,817	6,966	565

The Montreal Light, Heat and Power Company.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....			94	89	74	80	91	90	87	115	134	147	192	237
February.....			95	89	71	80	94	90	87	114	133	147	190	228
March.....			97	94	72	87	94	86	90	111	136	149	197	221
April.....			102	95	74	90	91	94	115	136	152	204	227	
May.....		*97	101	87	74	92	90	90	95	120	132	154	205	221
June.....		100	103	77	72	91	96	88	94	123	132	166	212	209
July.....		95	101	80	74	92	97	93	95	125	126	170	227	206
August.....		95	101	75	75	91	96	91	97	125	129	163	234	207
September.....		98	100	77	78	92	95	93	102	126	146	164	234	218
October.....		97	96	70	82	93	97	86	106	124	143	172	236	211
November.....		96	95	75	83	90	95	83	107	125	140	180	230	209
December.....		96	88	76	81	89	93	86	110	131	138	189	228	214
Average.....		96.8	97.7	82.0	75.8	88.9	94.1	88.9	97.0	121.2	135.4	162.8	215.8	217.3
SALES:														
Montreal.....		136114	166342	150330	72,662	113592	178010	39,122	103524	177841	193645	186173	264184	144188
Toronto.....						374	710	450	1,328	1,281	1,149	1,755	316	375

* Listed May, 1901.

Toronto Electric Light Company, Limited.

QUOTED AT TORONTO.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	134	134	141	155	133	151	158	158	.....	133	118	125		
February....	135	135	144	159	132	152	159	158	.....	129	119	128		
March.....	134	136	143	145	131	152	159	144	.....	130	120	124		
April.....	132	136	149	133	133	151	155	145	114	.....	118			
May.....	130	137	153	133	136	148	154	.....	115	118	116			
June.....	132	138	154	130	137	150	154	.....	114	120	117			
July.....	132	136	153	136	136	154	154	.....	112	118	114			
August.....	131	141	158	133	141	158	160	.....	113	126	112			
September..	133	142	158	130	144	159	160	137	117	125	110			
October....	132	142	155	127	146	158	160	122	124	120	112			
November...	135	136	156	129	151	156	167	115	130	119	117			
December...	134	143	155	132	151	156	165	122	132	119	118			
Average....	132.8	138.0	151.6	136.8	139.3	153.9	158.8	137.6	118.9	123.4	115.9	125.6		
SALES.....	3,074	9,604	11,168	6,810	11,668	13,208	10,375	1,283	3,430	3,127	5,300	5,894		

(5) NAVIGATION.

Niagara Navigation Company, Limited.*

QUOTED AT TORONTO.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....				121	115	112	120	122	108	125	136	130	147	
February....				129	113	113	123	120	110	128	.....	132	158	
March.....				130	114	116	125	121	109	131	135	137	163	
April.....				152	129	118	121	126	118	132	136	139	189	
May.....				146	129	119	119	126	124	120	127	135	140	
June.....				145	122	118	117	131	117	122	.....	130	140	
July.....				141	126	117	117	126	.....	119	134	130	147	
August.....				135	126	115	119	133	116	120	136	130	152	
September..				135	121	110	120	131	115	120	137	128	155	
October....				129	114	107	121	130	111	121	136	130	157	
November...				128	116	112	121	127	107	122	136	130	167	
December...				124	118	110	120	127	108	127	.....	1 8	159	
Average....				137.2	123.4	114.0	118.0	127.1	116.7	118.0	132.2	131.6	146.2	164.2
Sales.....				4893	6698	1099	5047	2979	529	587	690	281	1007	11411

*After June 1st, 1912 controlled by Richelieu & Ontario Navigation Company.

Northern Navigation Company, Limited.‡

QUOTED AT TORONTO.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	191
January.....			126	136	77	62	85	100	91	101	114	117		
February.....			139	143	72	62	88	94	85	101	108	117		
March.....			145	144		74	89	91	87	103	109	123		
April.....			165	142	70	82	88	93	94	110	110	122		
May.....			168	143	70	74	88	93	97	114	110	124		
June.....			159	127	70	73	93	90	96	112	110	125		
July.....			155	135	70	70	98	92	96	112	107	125		
August.....			157	130	60	74	103	91	95	113	108			
September.....			151	125		77	103		94	117	114			
October.....	107	146	106			77	105	87	97	118	117			
November.....	107	144	84	55	77	107	82	100	119	117				
December.....	107	139	78	55	76	106	85	100	122	117				
Average.....		107.0	149.5	124.3	66.5	73.2	96.0	90.7	94.3	111.8	111.8	121.9		
Sales.....		283	15691	10691	522	3224	7017	885	2557	7347	1498	4433		

‡After June 26, 1911, controlled by Richelieu & Ontario Navigation Company.

Richelieu and Ontario Navigation Company, Limited.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	108	108	111	100	82	64	75	81	65	79	94	97	124	118
February.....	113	111	112	102	81	63	82	79	64	80	89	102	120	116
March.....	108	112	112	97	82	69	83	74	67	80	86	114	120	113
April.....	112	114	115	95	85	75	83	76	73	83	87	120	123	115
May.....	106	119	113	90	87	74	79	75	76	82	85	116	121	111
June.....	103	121	113	78	78	71	82	67	76	84	83	116	117	106
July.....	101	119	109	92	67	73	82	66	75	82	79	121	118	106
August.....	103	116	108	84	59	75	83	63	74	82	85	119	114	108
September.....	108	117	107	77	59	75	83	63	73	86	90	116	112	111
October.....	107	114	102	73	57	73	84	56	74	86	94	120	113	110
November.....	108	114	96	79	60	69	81	54	75	87	92	123	112	108
December.....	108	110	92	82	62	70	83	61	75	90	91	123	119	111
Average.....	107.1	113.8	107.5	87.4	71.6	70.9	81.7	67.9	72.3	83.4	87.8	115.6	117.8	111.1
Sales:														
Montreal.....	20544	77221	34527	38218	25767	17583	19776	7590	12673	42909	19742	184228	149425	82063
Toronto.....	3070	12641	15593	14366	7036	9375	14416	1678	1914	3996	1202	14199	6855	4006

St. Lawrence and Chicago Steam Navigation Company, Limited.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....				138	115	102	125	125	113	111	119	87	90	109
February.....				144	110	103	130	122	112	115	.....	86	92	108
March.....				145	101	110	128	120	117	115	115	86	95	111
April.....				140	99	114	128	123	121	117	116	94	97	122
May.....				141	102	.....	129	125	120	116	115	100	104	122
June.....			168	133	105	.....	133	124	118	115	114	.....	103	119
July.....			146	130	100	109	142	125	116	116	.....	85	107	119
August.....			164	128	105	118	144	126	119	121	110	87	109	121
September.....			165	125	105	117	145	126	124	124	.....	90	113	129
October.....				115	.....	123	.....	125	125	126	.....	87	111	128
November.....				109	105	125	145	125	122	128	112	90	112	116
December.....			145	114	105	125	137	121	116	127	90	93	116	102
Average.....			157.6	130.2	104.7	114.6	135.0	123.9	118.6	119.3	111.4	89.5	104.1	117.2
Sales.....			505	2488	300	1568	1785	952	1457	1123	437	663	2083	2295

(6) RAILS.

Canadian Pacific Railway Company.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	93	90	114	135	118	133	174	188	155	175	181	204	232	253
February.....	98	90	113	134	117	137	172	184	146	171	181	212	230	235
March.....	97	92	113	131	104	144	170	169	149	170	180	219	233	228
April.....	97	97	121	130	117	152	166	176	154	176	182	228	247	240
May.....	95	108	132	129	117	146	159	172	158	180	189	236	261	234
June.....	90	105	137	122	121	149	161	168	160	182	191	240	265	216
July.....	89	104	137	122	125	153	162	175	167	185	185	242	267	214
August.....	89	110	140	124	126	160	173	174	174	186	190	236	277	218
September.....	88	112	141	122	128	168	179	163	173	183	192	225	277	228
October.....	87	109	135	119	132	173	178	157	174	186	196	230	266	229
November.....	86	113	131	118	131	173	178	146	177	181	197	240	265	224
December.....	89	113	129	119	132	174	192	152	176	180	194	239	260	217
Average.....	91.5	103.5	128.5	125.4	122.3	155.1	172.0	168.6	163.6	179.5	188.1	229.3	256.6	228.0
Sales:														
Montreal.....	136034	263133	484858	245946	114197	98673	87324	20923	54959	82277	38564	117694	163406	171287
Toronto.....	92056	145761	379852	410669	98373	70973	14065	2761	10727	17972	10166	12611	9957	13047

Minneapolis, St. Paul and Sault Ste. Marie Railway Company ("Soo").

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	20	39	75	63	95	152	108	88	142	138	135	133	140	
February.....	19	39	75	61	107	156	121	93	140	138	141	132	137	
March.....	20	52	72	63	117	156	115	103	143	142	146	137	135	
April.....	20	61	67	62	115	157	110	112	141	138	142	141	135	
May.....	20	58	63	62	.....	155	99	113	137	138	138	142	132
June.....	24	59	56	65	119	158	.....	112	139	134	140	143	121
July.....	24	62	55	71	126	153	107	113	143	122	142	148	124	
August.....	26	71	52	74	138	156	.....	120	144	127	135	152	130
September.....	26	77	53	75	139	155	102	121	144	132	130	151	138	
October.....	27	75	52	81	139	.....	70	123	139	133	130	144	130
November.....	33	79	54	.....	138	.....	72	129	136	136	136	142	127
December.....	33	72	53	88	140	143	77	183	139	129	134	140	127	
Average.....	24.3	61.9	60.6	69.6	124.8	154.1	98.1	113.3	140.5	133.9	137.4	142.1	131.3	
Sales:														
Montreal.....					513	19853	5517	12082	59684	35550	75850	41032	41318	5706
Toronto.....				2470	2645	845	100	2435	6621	1404	2820	695	763	155

*Quotations Jan. 1901 to August 1903. from New York; Sept. 03—Dec. 04, from Toronto.

(7) ELECTRIC RAILWAYS.

Detroit United Railway.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....				90	66	77	97	80	38	57	64	68	64	79
February.....				89	63	78	100	79	36	59	63	71	58	78
March.....		*		82	63	81	99	72	33	59	64	70	61	76
April.....		76		82	63	84	95	73	32	59	62	71	65	75
May.....		76		78	62	86	93	69	36	58	57	72	67	73
June.....			79	70	61	93	95	64	40	60	52	73	67	67
July.....			82	72	64	93	92	68	41	65	45	72	70	67
August.....			88	69	66	94	95	65	40	69	51	69	72	70
September.....			92	67	69	94	95	65	39	70	54	66	72	72
October.....			86	59	73	93	94	46	41	67	56	72	70	72
November.....			86	66	77	93	89	32	50	64	56	72	72	72
December.....			84	69	78	94	82	35	55	64	70	70	74	70
Average.....		76.0	85.3	74.4	66.7	88.3	93.8	62.3	40.1	62.6	57.8	70.5	67.7	72.6
Sales:														
Montreal.....		600	96384	66829	47010	129432	117651	85472	45868	59714	75974	110730	94674	50748
Toronto.....			75	90	475	1133	2800	1037	1248	951	2607	1705	1144	765

*Listed March 1901.

The Halifax Electric Tramway Company, Limited.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	96	96	105	106	88	106	105	102	98	107	123	137	153	
February....	97	92	111	104	88	108	104	102	97	108	125	143	155	160
March.....	97	90	111	100	88	106	102	98	96	111	123	142	154	160
April.....	95	89	109	98	93	104	102	99	96	111	123	143	154	160
May.....	95	93	107	98	94	105	103	100	.98	114	124	148	156	160
June.....	91	96	107	96	92	103	106	100	99	114	124	146	152	160
July.....	88	96	107	96	93	103	105	99	99	115	120	146	152	
August.....	88	95	110		93	105		97	100	116	123	145	151	
September..	96	98	108	96	94	108	105	96	100	116	125	150	157	
October....	97	98	104	93	94	107	101	93	103	117	129	150	161	151
November..	95	99	103	92	101	104	104	89	104	119	130	149		
December..	99	102	103	91	106	102	104	96	106	123	132	153	160	
Average....	94.5	95.3	107.1	97.3	93.7	105.1	103.7	97.5	99.8	114.3	125.1	146.0	155.0	158.5
Sales.....	1313	3803	6511	2546	3252	3213	2409	2387	2034	3824	1994	4528	1034	216

Montreal Street Railway Company.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	281	274	267	278	204	215	243	227	184	207	219	224	227	
February....	293	266	274	276	203	215	265	222	178	207	222	226	228	
March.....	303	273	268	272	206	220	272	212	180	207	239	232	233	
April.....	279	284	269	269	210	223	269	215	183	209	247	225	235	
May.....	253	280	273	255	209	218	268	217	183	211	242	224	236	
June.....	252	294	277	237	207	220	278	206	183	217	240	223	240	
July.....	251	293	275	239	205	223	276	208	173	216	225	227	248	
August.....	247	290	278	234	202	226	281	195	178	214	239	225		
September..	259	285	282	239	205	230	279	189	183	214	241	228	245	
October....	275	275	276	214	211	237	268	174	189	211	235	228	240	
November..	276	273	277	199	215	233	249	166	199	211	228	225		
December..	276	267	273	208	216	233	228	176	202	217	220	228		
Average....	270.4	279.5	274.1	243.3	207.8	224.4	264.6	200.6	184.6	211.8	233.1	226.3	236.9	
Sales.....	75843	154027	55789	47419	29778	57719	147317	31020	16098	34649	100730	44507	686	

Saint John Railway Company.

(QUOTED AT MONTREAL)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....				118				105		100	102	106		
February.....		118	113				110					107		
March.....			120											
April.....	125	118		118			110					110		
May.....		118		115			109		100					
June.....	120	114	114				107			101				
July.....	120				106						100			
August.....	120	113			106	113				102				
September.....	119				110	115								
October.....	119				108			98						
November.....	118													
December.....	117		120				106	95			106			
Average.....	118.5	116.2	116.8	117.0	107.5	114.0	108.4	99.3	100.0	101.0	102.6	107.7		
Sales.....	341	129	122	36	199	93	150	74	18	38	45	81		

Sao Paulo Tramway, Light and Power Company, Limited.*

(QUOTED AT TORONTO)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....				98	90	112	142	136	115	155	147	152	190	
February.....			63	97	90	117	144	135	117	158	147	158	193	
March.....			78	92	87	123	143	126	121	153	148	160	194	
April.....			93	92	96	128	141	124	126	153	145	163	203	
May.....			104	92	99	126	140	124	129	154	145	169	230	
June.....			100	94	104	132	140	119	132	149	144	180	242	
July.....			103	89	105	136	137	116	135	146	138	178	248	
August.....			106	84	105	140	137	109	148	145	141	176	256	
September.....			103	83	106	140	135	111	151	145	149	171	259	
October.....			92	80	105	141	130	102	149	145	149	176	270	
November.....			91	85	105	139	139	104	152	149	151	182		
December.....			91	89	107	134	137	112	154	149	150	185		
Average.....			93.1	89.5	99.9	130.6	138.8	118.2	135.8	150.1	146.2	170.8	228.5	
Sales.....														
Toronto.....			70873	29987	54163	124862	55377	38072	67156	63752	36907	60090	73169	
Montreal.....					458	4817	1213	1361	4149	2995	1672	5133	20152	

*Railway franchise dates from July 17, 1901. After 1912, controlled by Brazilian Traction Light and Power Company, Limited.

DEPARTMENT OF LABOUR EXHIBIT

The Toronto Railway Company.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	103	109	116	117	100	105	110	113	97	111	127	124	134	143
February....	102	111	117	116	98	105	118	112	98	117	124	128	133	140
March.....	101	110	118	111	99	107	124	106	99	121	124	128	134	136
April.....	98	110	120	110	101	108	118	107	99	124	122	130	135	143
May.....	99	109	121	106	101	105	114	106	99	125	120	132	139	143
June.....	98	110	121	96	100	106	117	103	99	125	117	139	142	139
July.....	97	110	121	101	110	105	115	103	101	125	114	156	147	137
August.....	96	112	122	97	101	106	117	99	105	126	116	147	143	139
September..	101	116	121	97	104	106	118	100	103	126	122	131	144	140
October....	106	115	116	93	105	107	116	92	103	125	124	135	141	142
November..	108	117	116	97	106	105	115	87	106	124	124	137	141	140
December..	109	116	114	100	105	105	114	93	107	127	123	136	140	136
Average....	101.5	112.1	118.6	103.4	101.7	105.8	116.3	101.8	101.3	123.0	121.4	135.3	139.4	139.8
Sales:														
Montreal...	74835	9344	62238	36691	26237	34261	102966	32312	14773	54615	28588	117373	77940	36025
Toronto....	15162	29283	62314	25265	14297	10412	16762	3233	5992	12671	4693	31616	49354	28051

Twin City Rapid Transit Company.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	64	69	109	120	92	107	120	106	86	99	114	109	105	106
February....	65	70	111	120	89	107	118	103	81	102	113	110	106	106
March.....	65	73	116	113	90	111	118	95	82	105	115	109	106	105
April.....	66	75	121	112	93	116	117	96	86	104	114	109	105	105
May.....	79	120	107	94	112	114	93	89	105	112	110	107	104	104
June.....	90	120	97	94	112	113	93	90	106	109	109	108	103	103
July.....	93	122	98	95	114	112	94	91	105	106	109	107	103	103
August.....	61	97	125	92	97	116	114	89	90	107	108	107	108	106
September..	102	124	90	99	117	115	93	87	110	110	105	109	108	108
October....	60	99	118	84	104	118	113	83	89	109	112	106	106	106
November..	63	104	116	90	106	116	111	73	93	109	110	106	106	105
December..	70	107	116	93	106	116	106	81	95	113	109	105	104	105
Average....	64.2	88.2	118.2	101.3	96.5	113.5	114.3	91.6	88.3	106.2	111.0	107.8	106.4	105.2
Sales:														
Toronto....	2300	145983	190801	150800	39132	39581	52512	43228	28720	62219	47399	18525	17781	19052
Montreal...	28996	128290	115891	140626	67025	44238	25515	29297	14509	32470	12656	9679	8435	6548

The Winnipeg Electric Railway Company.*

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....						129	177	134	161	182	190	255	217	
February.....						140	182	181	139	165	179	189	264	207
March.....						155	190	181	146	168	178	192	264	205
April.....						167	178	143	168	179	205	213	209	
May.....						163	176	152	174	183	225	216	201	
June.....						165	185	170	158	185	182	232	229	196
July.....						171	185	166	158	185	177	236	234	190
August.....						189	174	153	166	187	178	236	227	202
September.....						192	168	135	165	189	190	237	228	206
October.....						188	165	127	164	186	193	241	223	200
November.....							163	122	167	184	193	249	217	194
December.....							174	124	166	183	188	242	216	195
Average.....						165.9	176.2	157.5	154.8	177.9	183.5	222.8	232.2	201.8
Sales:														
Toronto.....						6700	2043	3765	12020	8402	2907	15752	17292	5091
Montreal.....						1887	324	802	1329	2141	2731	15955	15849	4723

*Previous to 1905, operated by the Winnipeg Electric Street Railway Company. The stock was listed March 1901, and prices quoted at Toronto from 1901 to 1904, were as follows:--

	1901	1902	1903	1904
January.....				165
February.....		129		
March.....	106	131		
April.....				
May.....		140		
June.....		140		165
July.....	116	140	174	190
August.....	114			181
September.....				180
October.....	113			
November.....				197
December.....	117			205
Average.....	113	136	174	183
Sales:				
Toronto.....	550	2437	6	1133
Montreal.....	705	585	11	1228
	1255	3022	17	2361

(8) TELEGRAPH, TELEPHONE AND CABLE.

The Bell Telephone Company of Canada, Limited.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	179	174	168	166	151	160	157	141	125	142	146	143	147	162
February....	181	172	169	163	149	160	158	142	124	143	146	145	147	152
March.....	182	169	168	162	136	161	156	134	127	145	147	145	148	146
April.....	178	169	165	159	140	154	154	132	129	148	145	145	149	147
May.....	178	172	171	159	145	154	152	134	131	149	145	147	151	146
June.....	179	170	168	157	144	154	153	133	136	148	144	147	159	144
July.....	173	173	167	158	145	153	151	131	137	146	143	148	163	142
August.....	173	173	167	158	146	156	153	131	136	147	143	147	155	148
September..	171	174	166	157	149	158	147	125	135	146	142	150	152	152
October....	170	172	167	143	155	157	146	121	134	145	144	142	162	146
November..	171	173	166	147	161	157	146	117	139	144	143	144	163	142
December..	172	170	163	155	159	158	147	120	141	147	142	147	166	141
Average....	175.6	171.7	167.1	157.0	148.3	156.8	151.6	130.1	132.8	145.8	144.2	145.8	155.2	147.3
Sales:														
Montreal.....		759*	1542	1065	5018	3192	3529	3489	3660	3221	4426	4729	12358	9055
Toronto.....	579	616	412	278	6145	2702	1053	1084	2195	3051	1579	1465	3829	1076

*First half-year only.

Dominion Telegraph Company.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	133	123	124	119	120	120	121	120	110	108	110	110	104	100
February....	131	124	123	118	115	121	120	120	101	110	109	108	106	101
March.....	129	126	120	118	.....	122	120	120	104	107	108	108	108	.....
April.....	129	126	118	117	.....	123	120	120	.....	101	108	111	107	100
May.....	128	121	120	118	.....	120	120	120	104	105	109	110	106	.....
June.....	128	125	120	118	122	.....	120	120	.....	105	.....	110	.....	.....
July.....	126	124	121	114	120	122	120	119	104	106	.....	100	105	102
August.....	127	125	122	114	121	121	120	.....	101	107	107	106	104	100
September..	.....	126	120	113	121	121	120	115	101	107	107	104	104	100
October....	.....	124	120	111	120	119	120	.....	100	109	109	105	106	100
November..	116	125	119	116	120	119	120	104	100	108	108	104	102	.....
December..	122	.....	119	116	121	121	120	110	101	109	.....	105	101	97
Average....	126.9	124.4	120.5	116.0	120.0	120.8	120.1	116.8	102.6	106.8	108.3	106.6	104.8	100.0
Sales.....	250	434	752	527	356	329	320	480	217	445	152	873	609	258

The Mackay Companies.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....						38	61	73	57	73	89	93	78	86
February.....						42	60	73	54	73	89	93	79	85
March.....						41	60	69	56	73	90	92	81	82
April.....					24	42	63	69	60	77	89	91	84	83
May.....					22	40	68	70	63	79	88	91	84	82
June.....					24	40	74	66	65	81	87	90	86	78
July.....					24	40	73	68	67	81	82	88	90	77
August.....					26	41	74	64	69	83	85	85	89	82
September.....					27	43	73	63	68	87	90	83	87	82
October.....					32	46	73	51	71	92	95	86	86	80
November.....					36	50	73	47	76	93	94	85	85	78
December.....					39	55	71	53	75	92	90	81	83	78
Average.....					28.2	43.2	68.6	63.8	65.1	82.0	89.0	88.1	84.3	81.1
Sales:														
Toronto.....					32691	99040	139227	67800	47258	47316	35163	18682	28202	16280
Montreal.....					28706	45248	36751	18316	20226	17597	5079	2200	2534	1768

The Montreal Telegraph Company.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	172	173	173	164	158	160	166	162	143	138	150	145	147	145
February.....	172	172	172	160	161	162	166	161	141	143	148	147	147	143
March.....	165	170	170	162	158	163	170	162	138	147	149	147	148	142
April.....	164	168	169	158	158	161	169	160	138	152	147	147	148	142
May.....	165	170	169	158	158	161	165	159	137	155	149	148	148	143
June.....	164	171	170		157	163	167	158	137	155	150	148	147	136
July.....	163	170	170	158	156	163	167	159	134	154	150	147	148	137
August.....	164	170	167	161	156	164	168	157	137	157	149	147	149	138
September.....	166	173	167	160	157	166	169	152	141	157	150	146	148	138
October.....	166	173	167	158	159	165	166	149		155	145	146	147	139
November.....	169	173	167	160	158	166	164	138	139	155	147	148	146	137
December.....	171	175	167	163	160	166	163	135	141	148	146	147	143	136
Average.....	166.8	171.5	169.0	160.1	158.0	163.3	166.6	154.3	138.7	151.3	148.3	146.9	147.1	139.6
Sales.....	2711	2489	3457	1104	1684	3134	1621	843	1400	1199	1681	1124	1506	1131

DEPARTMENT OF LABOUR EXHIBIT

(9) TRUST COMPANIES.

National Trust Company, Limited.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	131	130	136	138	.....	141	155	.....	145	.....	200	205	205	.....
February...	125	130	134	140	139	.....	.....	157	.....	170	196	.....	.....	222
March.....	131	132	141	141	138	.....	.....	.....	145	170	194	204	207	220
April.....	.....	132	139	140	135	.....	.....	160	.....	.....	.....	205	.....	.....
May.....	132	131	140	.....	135	140	155	159	145	.....	.....	205	210	.....
June.....	130	131	141	140	137	139	.....	158	.....	.....	.....	.....	210	.....
July.....	.....	131	.....	139	.....	143	.....	.....	.....	.....	.....	.....	210	.....
August.....	.....	131	.....	.....	.....	144	.....	.....	.....	.....	.....	.....	.....	225
September..	133	131	141	138	.....	148	156	.....	148	.....	.....	205	.....	225
October....	135	131	138	138	135	.....	157	.....	.....	.....	200	205	.....	225
November..	133	132	139	.....	.....	.....	.....	158	150	.....	.....	.....	212	.....
December..	132	134	139	140	141	.....	.....	.....	.....	189	204	206	214	225
Average....	131.4	131.3	138.8	139.3	137.1	142.5	155.8	158.4	146.6	176.3	198.3	205.0	209.7	223.7
Sales.....	188	1821	1002	421	213	250	71	59	280	180	152	47	234	202

Toronto General Trust Corporation.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	145	151	162	164	.....	.....	.....	150	145	153	168	171	179	192
February...	.....	154	162	165	.....	.....	.....	.....	.....	156	.....	.....	187	197
March.....	147	155	165	165	.....	.....	159	.....	144	165	170	179	.....	193
April.....	145	156	167	162	.....	.....	.....	.....	144	165	170	.....	.....	192
May.....	149	.....	170	163	165	159	.....	.....	144	.....	.....	.....	202	189
June.....	150	165	168	.....	.....	.....	.....	140	.....	.....	.....	179	198	185
July.....	.....	166	168	159	163	160	153	.....	144	165	.....	179	191	183
August.....	.....	165	.....	159	.....	159	152	150	.....	161	.....	178	191	184
September..	145	165	170	160	.....	160	.....	.....	145	165	.....	.....	192	184
October....	149	164	168	160	.....	.....	.....	.....	145	163	174	180	189	185
November..	152	163	.....	.....	.....	160	.....	145	.....	.....	172	178	191	185
December..	152	163	.....	165	.....	.....	.....	.....	.....	160	174	.....	189	187
Average....	148.2	160.6	166.6	162.2	164.0	159.6	184.6	166.9	144.4	161.4	171.3	177.7	190.9	188.0
Sales.....	998	821	493	239	30	101	124	149	74	295	137	202	731	487

II. PRICES OF PREFERRED STOCKS, 1900-1913.

Average of High and Low Each Month.—Quotations from the Annual Financial Review.

British Columbia Packers Association.*

7 Per Cent, Cumulative. Series "A".§

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....				99			61			74		86	97	156
February.....				99			66			78	74	87	97	153
March.....				99						94		95	99	155
April.....				97						92	68	94	100	152
May.....							67			91	73	94	103	141
June.....			101				75			93	73	90	105	
July.....			102				75			98	72	92	105	127
August.....			101				78			96	79	94		137
September.....			100							87	85	89	121	141
October.....			99				80			94	86	93	144	
November.....			99								84	94	150	
December.....											86		141	
Average.....			100.3	98.5			71.7			90.7	78.0	91.6	114.7	145.2
Sales:														
Toronto.....			4640	820			1558			949	603	1314	3071	1134
Montreal.....			1010	125			4709			1980	519	936	801	170
			5600	900			6300			3000	1100	2200	3900	1300

*Consolidation completed May 20, 1902.

Preferred stock is redeemable at 115, unless it can be purchased at a price not greater than par with a premium of 15 per cent. It is divided into two series, "A" and "B". While both series are redeemable at 115, "A" has the option of being converted into common. "B" has not this option, but is redeemable before "A". After dividends have been paid on the preferred, the balance of net earnings, up to a sum equal to 25 per cent. of the net earnings, shall be set aside as a reserve fund until that fund amounts to a sum equal to the preferred stock outstanding, such sum to be used annually in the redemption of the preferred stock, the shares to be cancelled. Series "B" was finally retired at 115 on November 20th, 1912.

Canadian General Electric Company Limited—6 Per Cent.

Cumulative, Redeemed Jan. 2, 1908, at 105;‡ 7 Per Cent.

Cumulative, Issued Aug. 15 and Oct. 28, 1907.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	105	107	108	108	106					110				
February.....	106	.....	108	108		107	109			110				
March.....	106		.....	109	107		109	100				112		
April.....	107	109	.....	108			109			111		114		
May.....	109	109	110			109	109	103			112	112		
June.....	109			108					105					
July.....	108	107	109							112		112		
August.....	108	108	111	107	106				105	112				
September.....	107	108	.....	105					105					
October.....	108	109	.....	105										
November.....	108	109	106	106			109		108					
December.....	110	.....	.....	105	107	109	106		108					
Average.....	107.3	108.4	108.6	106.9	106.5	108.3	108.5	101.5	106.2	111.0	112.0	112.5		
Sales Toronto.....			51	344	254	25	59	33	35	27	3	21		

‡The original issue of \$300,000, 6 per cent. cumulative, was redeemed January 2nd, 1908, at 105. On August 15th and October 28th, 1907, the shareholders authorized an issue of preference stock, \$2,000,000, entitled to receive a fixed cumulative dividend of 7 per cent. per annum. Preferred as to dividends and assets. It may be redeemed after January 1st, 1915, at 115.

Dominion Coal Company, Limited—7 Per Cent Cumulative.**

(QUOTED AT MONTREAL)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....		109	117	116	110	114	121	.....	91	101	117	.....	113	111
February.....	117	114	117	116	108	116	121	111	88	99	115	109	112	111
March.....	117	113	117	116	109	117	121	110	89	105	115	109	111	110
April.....	117	115	117	117	110	117	119	.....	92	111	114	108	112	109
May.....	117	115	117	116	110	116	118	106	98	109	106	110	114	110
June.....		116	118	115	111	116	119	108	100	116	108	112	113	109
July.....	113	115	114	116	106	116	116	107	98	116	111	113	111	108
August.....	111	116	.....	113	107	116	115	101	98	117	106	112	108	104
September.....		116	.....	111	110	115	115	100	100	116	108	113	109	104
October.....	113	118	117	108	111	115	114	94	98	118	114	112	109	106
November.....	118	119	117	111	115	117	114	86	100	117	113	112	110	107
December.....	118	118	117	113	117	118	115	95	103	118	111	112	112	105
Average.....	115.7	115.3	116.8	114.0	110.3	116.1	117.3	101.8	96.3	111.9	111.5	111.1	111.2	107.8
Sales.....	1155	5136	1371	2320	3257	3586	1576	783	3039	3999	1850	1421	1902	1216

** Authorized and issued, \$3,000,000. It is entitled to receive par and 15 per cent. premium and accrued dividends in preference to Common Stock. No additional mortgage can be placed upon the Company's property without the consent of the holders of at least fifty-one per cent. in amount of Preferred Stock then outstanding. The Company reserves the right to redeem after five years, from May 1st, 1905, the entire issue of Preferred Stock at 125 and dividend accrued to the date fixed for redemption.

Dominion Iron and Steel Company, Limited—7 Per Cent, Cumulative.‡

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....			85	96	27	62	77	58	49	72	136	103	103	103
February.....			87	96	25	67	80	57	54	90	134	104	104	102
March.....		90	91	77	25	72	81	53	56	112	123	103	103	101
April.....		87	96	66	26	69	77	53	61	122	106	101	101	101
May.....		86	96	55	32	65	77	50	65	117	104	103	104	99
June.....		83	95	49	25	69	81	51	63	123	102	104	105	96
July.....		83	96	50	26	71	76	50	60	127	101	103	105	96
August.....		77	99	32	31	72	78	50	65	129	104	103	106	96
September.....		76	99	34	38	72	77	54	65	131	104	104	104	99
October.....		78	95	27	42	74	77	48	62	133	103	102	102	92
November.....		81	95	25	47	69	69	39	69	135	102	102	103	92
December.....		80	93	26	55	72	68	42	72	137	103	102	103	94
Average.....		82.1	93.9	52.8	33.3	69.6	76.5	50.4	61.6	119.0	110.2	102.8	103.6	97.5
SALES:														
Montreal.....	23,775	84,388	28,426	17,676	21,919	25,086	19,068	21,097	107,372	25,705	11,657	10,267	5,179	
Toronto.....	3,475	22,625	3,548	2,883	2,357	2,007	984	2,818	15,679	1,810	984	680	160	
	27,300	107,000	32,000	20,600	24,300	27,100	20,000	23,900	123,000	27,600	12,700	11,000	5,300	

‡The stock is preferred both as to capital and dividends. The holders will, in case of liquidation or distribution of the assets of the Company amongst the shareholders, be entitled to be paid in full both principal of their shares and the cumulative dividend before any amount is paid to the holders of common shares, but shall not participate in any further distribution. The preferred stock is subject, upon three month's notice, to call at the Company's discretion at a price not exceeding 115 and accrued dividend, although owners of the same have the option at any time of exchanging their holdings, share for share, for common stock, providing they exercise this option not later than thirty days after call is made.

Dominion Textile Company, Limited—7 Per Cent, Non-Cumulative.†

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....							105	98	84	102	106	99	101	104
February.....							106	98	80	99	102	102	101	103
March.....						88	108	95	82	98	103	105	101	102
April.....						87	105	94	83	99	103	103	101	102
May.....						85	102	89	84	104	101	102	101	101
June.....						86	103	89	85	108	103	102	102	101
July.....						87	100	86	83	107	100	100	102	100
August.....						87	101	82	85	106	101	98	103	100
September.....						93	103	84	85	106	99	97	103	103
October.....						97	102	83	84	107	99	100	103	101
November.....						98	97	78	91	105	99	101	105	100
December.....						101	101	79	101	105	100	101	104	102
Average.....						90.9	102.8	87.9	85.5	103.8	101.3	100.8	102.3	101.5
SALES:														
						13,810	8,867	3,058	8,932	14,814	2,743	3,404	3,604	2,355

† Organised January 4th, 1905.

Lake of the Woods Milling Company, Limited—7 Per Cent, Cumulative.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....						111	112	109	104	119	127	125	122	117
February.....							112	109	105	120	126	125	122	117
March.....						120	113	110	110	120	127	128	121	117
April.....						118	113	110	113	120	126	125	122	119
May.....						115	111	110	113	121	126	121	121	117
June.....						113	112	107	113	121	125	119	122	
July.....						112	113	106	112	124	125	120	121	
August.....						112	113	104	112	127	124		121	119
September.....						113	115	105	112	127	124	121	122	120
October.....						114	114	103	115	125	123	123	122	120
November.....					118	113	111	101	117	127	124	123	120	118
December.....					113	112	108	102	117	126	125	120	117	119
Average.....					115.5	113.9	112.3	106.3	111.9	123.1	125.1	122.7	121.1	118.3
SALES:														
Montreal.....					962	9,671	2,010	3,241	2,890	2,195	965	816	880	564
Toronto.....								75	344	137	226	15	64	

The Mackay Companies—4 Per Cent, Cumulative.

(QUOTED AT TORONTO.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....						74	74	70	64	70	77	75	70	68
February.....						75	74	70	61	71	77	76	70	67
March.....						75	74	68	63	71	77	76	70	67
April.....					69	74	73	69	65	73	77	76	69	68
May.....					68	73	73	69	66	74	76	76	69	68
June.....					68	73	74	66	66	74	75	75	70	67
July.....					67	73	72	66	67	74	73	74	69	66
August.....					69	74	73	63	69	75	71	74	70	67
September.....					70	74	72	63	69	76	75	73	69	67
October.....					72	74	71	56	69	76	76	73	68	66
November.....					74	73	69	54	70	76	75	73	68	64
December.....					74	73	69	61	70	77	75	71	67	64
Average.....					70.1	73.8	72.3	64.6	66.6	73.9	75.3	74.3	68.5	66.6
SALES:														
Toronto.....					20,846	20,544	28,979	17,904	13,848	13,082	6,687	5,991	6,913	5,102
Montreal.....					29,280	22,174	18,410	13,061	6,542	6,880	3,475	1,950	2,233	1,329

Nova Scotia Steel and Coal Company, Limited—Preferred Stock, 8 Per Cent, Cumulative.*

(QUOTED AT MONTREAL)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....					116	110	120	120	110	117	121	121	128	124
February.....				135	116	112	121	.....	110	119	.....	123	120	123
March.....			120	135	117	113	118	.....	111	120	120	125	125	123
April.....				130	117	.....	119	115	109	119	123	124	125	124
May.....					116	.....	.....	116	110	119	122	128	125	.....
June.....				133	116	113	120	118	109	119	123	127	127	118
July.....				133	113	114	.....	111	109	118	119	.....	124	.....
August.....					109	114	123	.....	.....	120	120	123	124	121
September.....					104	114	.....	110	115	120	122	.....	123	118
October.....				115	107	114	.....	109	.....	119	.....	126	123	119
November.....				110	108	117	.....	108	.....	120	.....	126	124	.....
December.....			138	112	111	120	.....	108	114	121	122	129	124	117
Average.....			129.0	125.4	112.5	114.1	120.1	112.8	110.8	119.3	121.3	125.7	125.3	120.8
SALES:														
Montreal.....			120	532	1,092	551	222	467	388	550	287	462	443	283
Toronto.....			120	195	461	70	45	30	121	34	15	22	30	12

* Preferred as to principal and interest, and not subject to call.

The Ogilvie Flour Mills Company, Limited—7 Per Cent, Cumulative.

(QUOTED AT MONTREAL)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....				135	121	132	128	120	115	120	126	125	123	118
February.....				136	119	132	126	121	115	122	126	124	121	116
March.....				131	119	136	126	120	124	120	127	126	121	118
April.....					119	137	127	115	126	123	127	126	119	117
May.....					126	119	137	127	118	120	124	127	124	116
June.....			108	123	119	139	125	114	120	125	127	123	119	114
July.....			118	125	122	132	126	115	117	126	126	123	121	110
August.....			125	.....	125	127	125	113	116	127	125	122	121	110
September.....			135	124	119	129	125	114	116	127	124	124	125	114
October.....			134	125	121	129	125	113	118	127	126	124	121	115
November.....			129	117	127	128	124	114	121	126	125	123	118	115
December.....			132	120	133	127	123	114	120	126	125	124	120	116
Average.....			125.9	126.2	121.9	132.1	125.5	115.9	119.0	124.4	125.9	124.0	120.8	114.9
SALES:														
Montreal.....			13,118	2,420	5,090	5,700	2,115	2,326	2,173	2,066	1,890	1,742	617	804
Toronto.....		at ed	October 24th	1908.....	.....	.....	.....	.....	75	203	84	22	38	21

III. PRICES OF BONDS—INDUSTRIALS.

Canadian Coloured Cotton Mills Company, Limited—Bonds, First Mortgage
6 Per Cent 10 Year, Coupon, Maturing April 2, 1912.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	101	100	100	.....	.....	90	95	97	.....	96	100	100	100	
February....	100	99	101	100	.....	.....	100	98	.....	97	100	99		
March.....	100	99	.....	97	98	.....	.....	98	96	.....	100	100	100	
April.....	100	99	101	97	95	90	.....	95	93	.....	100	100		
May.....	99	99	101	100	.....	90	96	.....	92	.....	100	99		
June.....	100	99	101	98	94	90	97	95	96	100	100	100		
July.....	100	99	101	.....	90	90	97	.....	96	.....	100	100		
August.....	100	100	102	.....	88	.....	.....	97	.....	94	.....	100	100	
September..	100	98	102	98	87	.....	.....	.....	100	100	100	100		
October....	99	98	100	.....	88	.....	.....	93	.....	99	100	100		
November..	99	99	100	.....	88	94	98	92	.....	100	100	100		
December..	99	100	100	96	.....	99	97	.....	96	100	.....	100		
Average....	99.7	99.1	100.8	98.0	91.0	91.8	97.1	95.4	95.4	98.9	100.0	99.8	100.0	
SALES:														
	48,000	60,700	106,000	36,100	20,500	17,700	46,800	16,800	15,500	56,300	109,900	126,300	15,500	

The Commercial Cable Company—Bonds, First Mortgage 4 Per Cent, 500 Year
Gold Bonds, Coupon and Registered, Redeemable January 1, 2397.

(QUOTED AT TORONTO)*

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	102	102	98	95	91	93	96	95	83					
February....	104	102	98	94	.....	97	.....	.....	.....		
March.....	103	102	97	.....	90	99	96	94	86					
April.....	103	101	95	.....	90	.....	96	.....	.....					80
May.....	102	101	95	.....	.....	.....	97	.....	.....			
June.....	103	101	97	.....	94	.....	.....	.....	.....		88			
July.....	102	100	.....	.....	94	96	.....	.....	.....		87			
August.....	101	101	.....	.....	.....	.....	.....	.....	.....		84			
September..	102	100	.....	92	93	.....	97	89	.....				
October....	.....	100	96	91	93	97	95	.....	86	89				
November..	102	101	.....	.....	.....	.....	.....	.....	88	.....			
December..	102	101	96	.....	94	.....	95	.....	.....	89	.....			79
Average....	102.4	101.0	98.5	93.0	92.4	96.2	96.1	92.6	85.8	89.0	86.3	.....	.....	79.5
SALES:														
Toronto....	355,400	198,200	70,400	54,100	42,400	28,400	69,400	1,700	.....	4,200	4,500	.....	.....	21,500
Montreal..	79,200	8,500	37,500	1,000	89,500	8,000	6,900	.....	27,500	12,500	.....	.....	.....	2,000

*Quotations for 1908 from Montreal.

**Dominion Coal Company, Limited—Bonds, 5 Per cent First Mortgage, Gold.
Due May 1st, 1940. Issued May 5, 1905.‡**

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....							101	100	92	94	99	97	99	99
February.....							102	99		91	99	97	99	100
March.....							102	100	87	94	98	97	100	99
April.....							103	99	91	95	98	96	99	99
May.....						99	101	98	91	98	98	97	99	99
June.....						99	101			92	98	98	97	98
July.....						101	102	97	91	97	98	98	99	97
August.....						103	102	97	91	97	98	98	99	98
September.....							101	98	91	98	98	98	99	98
October.....						104	102	92		98	98	97	99	99
November.....						101	100	90	93	98	97	98	99	98
December.....						101	99		91	98	97	98	99	97
Average.....						101.1	101.3	97.0	91.0	96.3	98.0	97.3	99.1	98.4
SALES:														
Montreal.....						414000	123000	44,500	33,500	193500	357500	361500	406500	306000
Toronto.....						166500	5,500			12,000	3,000	5,000		2,500

‡ On May 5, 1905 a new issue of Bonds was made to retire the Company's six per cent bonds then outstanding. The old bonds were redeemable March 1st, 1913, but were subject to be called, at 110 and interest accrued, from the proceeds of the Sinking Fund. The old bonds were exchanged for new bonds for the same amount, plus 11 per cent in cash. The prices from 1900 to 1904 are given below:—

	1900	1901	1902	1903	1904
January.....		111			108
February.....	111	110	111		108
March.....	110	111	111		107
April.....		110	111		
May.....		110	110		
June.....	110		110	110	109
July.....		110			
August.....	110	111			106
September.....	111	110		108	110
October.....			110	108	110
November.....		110		109	
December.....	111	111			110
Average.....	111	110	111	109	108
SALES:					
Montreal.....	59,500	83,500	23,500	17,500	18,000
Toronto.....				24,000	

DEPARTMENT OF LABOUR EXHIBIT

Dominion Iron and Steel Company, Limited—Bonds, First Mortgage 5 Per Cent. Due July 1st, 1929.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....			83	88	54	81	85	78	71	79	96	96	95	94
February.....			84	87	54	83	85	78	75	85	96	95	94	93
March.....	88	86	80	55	84	85	77	75	90	97	95	95	91	91
April.....	88	91	76	61	84	85	76	76	90	95	94	95	91	91
May.....	88	92	73	67	83	84	75	77	91	96	94	95	91	91
June.....	87	93	68	59	87	86	76	77	94	95	95	95	90	90
July.....	85	91	70	60	85	83	73	76	96	94	95	96	90	90
August.....	80	92	59	66	85	83	72	78	99	95	94	95	90	90
September.....	78	90	65	73	84	84	73	77	96	95	94	94	90	90
October.....	79	88	60	76	85	83	70	76	95	96	94	95	89	89
November.....	82	88	55	77	85	81	67	78	96	96	94	95	86	86
December.....	82	90	58	83	85	81	71	80	97	96	95	94	86	86
Average.....		83.7	89.0	69.9	65.4	84.3	83.8	73.8	76.3	92.3	95.6	94.6	94.8	90.1

	1900	1901	1902	1903	1904	1905	1906
SALES:							
Montreal.....		1,598,900	6,598,000	2,353,000	4,315,000	3,000,000	2,298,000
Toronto.....		270,000	2,326,000	883,000	986,000	214,000	111,000
	1907	1908	1909	1910	1911	1912	1913
SALES:							
Montreal.....	697,000	785,000	2,590,000	982,000	719,000	559,000	382,900
Toronto.....	25,000	82,000	507,000	92,000	42,000	8,000	9,000

Dominion Textile Company, Limited*—Bonds, Series "C", 6 Per Cent. Issued March 1, 1905. Due March 1, 1925.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....							97	92	85	95	96	96	95	99
February.....							99	92	87	96	96	96	97	99
March.....						90	96	87	83	92	96	97	98	100
April.....						91	97	86	86	90	96	97	97	100
May.....						88	96	88	82	94	96	95	97	100
June.....						88	96	88	83	95	96	95	98	100
July.....						88		88	83	96	94	97	99	100
August.....						89		88	86	96	96	95	98	100
September.....						89	91	83	85	98	96	96	98	99
October.....						94	92	81	84	96	97	96	98	99
November.....						96	93	80	88	96	95	97	98	98
December.....						98	92	80	95	96	96	96	98	98
Average.....						91.1	94.9	86.1	85.6	95.0	95.8	96.1	97.6	99.3
SALES:														
Montreal.....						623858	253700	168500	379450	236500	107250	95,750	137250	81,750

* Company organized January 4th, 1905.

Series "C" is subject to call at any time at 5 per cent. premium.

Halifax Electric Tramway Company, Limited—Bonds, 5 Per Cent, Redeemable January, 1916. May be called for Payment after 1900 at 105.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....			103					102	98			101		
February.....		104	105			105		102	100				101	
March.....	105											100	101	
April.....								100			101			
May.....							105	100	99				100	
June.....	103							100	98		100			
July.....		103					103	100	100				100	
August.....		103					103					100	101	
September.....	103	103												
October.....				105			104				102			
November.....	103	104	108		102							100	100	100
December.....						105		100		100	100	101		
Average.....	103.5	103.4	105.3	105.0	102.0	105.0	105.8	100.7	99.0	100.0	100.8	100.4	100.6	100.0
SALES:	5,000	13,000	18,000	1,000	1,000	3,000	17,000	36,000	17,000	1,000	15,000	27,000	25,000	11,000

Lake of the Woods Milling Company, Limited—Bonds, First Mortgage 6 Per Cent. Issued June 1, 1903. Redeemable June 1, 1923.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....						109	110	107	103		112	112		
February.....						109		107		108	112	111		
March.....						111	110	108		108	111			
April.....						113	112	107	106		112	108		106
May.....						111	112	104	106			109	111	
June.....							110	100	106		112	109	110	105
July.....							109	100	105	112	112	109	110	101
August.....							109		106	111	111		110	102
September.....						111		105	106	110	112	109	110	
October.....						112	111	103		110	108			
November.....					110	113	112	102	107	111	108	109	108	
December.....					109		107	102			112	109	110	
Average.....					109.5	111.1	110.2	104.1	105.6	110.3	110.8	109.5	109.8	103.5
SALES:					67,000	108,050	57,000	84,000	24,000	27,000	93,000	73,000	52,000	10,000

DEPARTMENT OF LABOUR EXHIBIT

The Laurentide Company, Limited—Bonds, Forst Mortgage 6 Per Cent, Gold,
20 Year, Due January 2, 1920. Originally Issued by Laurentide
Pulp Company, Limited.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....		105	104	105	100	107	110	108	.....	112	110	110	112	108
February.....		105					106		.....		110	110		
March.....		105		105		110		110			110		110	
April.....		105							105	111		111		106
May.....		105		105			110		109	113	110	110		
June.....		105	107	101	100									104
July.....			105	100	100	110	109	105	110	110	110		113	
August.....						110	110			111	110	110	110	
September.....			105				108				109	111	112	
October.....		101	106		101								111	
November.....	105	100	107		106	107		110			108	110		
December.....	105	105	108	100	107	109		110	111			110		
Average....	105.0	104.0	106.0	102.7	102.3	108.9	108.9	108.6	109.5	111.4	109.6	110.3	111.3	106.0
SALES:														
	23,000	48,000	49,000	103,000	23,000	75,000	29,000	63,000	16,000	95,000	36,000	101,000	26,000	14,000

Mexican Light and Power Company, Limited—Bonds, 5 Per cent 30 Year Gold,
Dated February 1, 1903.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....							86	84	84	89	85	90	92	
February.....							85	83	84	88	86	91	94	89
March.....							85	81	81	88	87	91		88
April.....							85	80	81	88		90	89	
May.....							83	81	81	89	87	89	91	
June.....							83	82	83	87	87			
July.....							81	82	86		88	89		
August.....							80	78	87			92		
September.....							80	78	88	80	90		90	
October.....							78	79	87	82	89		90	
November.....							80	78	85		88		89	
December.....						68	81	80	88	81			89	
Average....						68.0	82.3	80.5	84.6	85.8	87.4	90.3	90.5	88.5
SALES:														
Montreal.....						919	734500	429000	499000	209500	117000	65,500	154,000	6,500
Toronto.....						320	527000	470000	513000	414000	224000	218500	54,000	22,500

Montreal Light, Heat and Power Company—Bonds, 4½ Per Cent Gold, First Mortgage and Collateral Trust. Dated Jan. 1, 1902. Due January 1, 1932. Redeemable at 105 and Interest on any Interest Date on and after January 1, 1912.

(QUOTED AT MONTREAL)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January...						101			91	99	99	100	100	99
February...						101	102	98	93	100	99	100	100	99
March...							102	99			99	99	100	99
April...				101				99	93		99	100	100	99
May...							102	100		100	99	101	100	98
June...				100		102	101		93	99	99	99	100	98
July...								97			99	99	100	97
August...							102	97		100	99	99	100	
September...					100	102	101		95	100	99	99	101	96
October...					101				96	100	99	99	100	98
November...					102		103	90	100	100	100	100	100	96
December...					102	102	102	90	101	100	100	100	100	97
Average...				100.5	101.2	101.6	101.9	96.2	95.2	99.8	99.2	99.6	100.1	97.8
SALES:				26,000	153,500	48,000	74,000	25,000	142,000	113,000	241,000	246,000	297,000	142,000

Montreal Street Railway Company—Bonds, 4½ Per Cent, First Mortgage. Dated August 10, 1893. Due August, 1922.

(QUOTED AT MONTREAL)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January...				105	104	104	104	104	98	102	100	100	100	
February...				105	104	104	105	104		102	100	100	100	100
March...				106	104	104	105	104	100	101	100	100	100	100
April...			105	106	105	105	105		100	102	100	100	100	100
May...			106	104	104	103	105	102		101	100	99	99	100
June...			106	104	104	103	105	102	99	101	101	100	100	100
July...			107	104	104	103		102	100	100	101	100	100	100
August...			107	104	104		105	101	99	101	101		100	100
September...			107	104	104	105			100	101	101	100	100	100
October...			108	104		105	105	100	100	101	101	100	99	100
November...			105	103	103	103	103	99	100	100	101	99	99	100
December...				104	104	104	104	97	101	100	101	100	100	100
Average...			106.1	104.4	104.0	103.9	104.6	101.5	99.7	101.0	100.6	99.8	99.8	100.0
SALES:			707,200	249,000	65,000	86,400	48,000	54,200	28,500	105,000	57,900	61,800	50,100	369,900

DEPARTMENT OF LABOUR EXHIBIT

Ogilvie Flour Mills Company, Limited—Bonds, Series "A", 6 Per Cent First Mortgage, 30 Year, Issued June 1, 1902. Allotted June 16, 1902, at 102½ and Accrued Interest from June 1, 1902. Subject to Call at 115 and Interest after June, 1912.

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....				117	112	114		118	110		113	113	113	108
February.....					112		118	117		108		113		105
March.....				117		117		118	111	109		113	111	104
April.....					111		118		111	110	113	113	112	
May.....				115	114			120	112	110		113	113	105
June.....			110	113	113			115	110		113	113	110	
July.....			114	115	116		116	117	110	115	113	113	109	
August.....			115				115	116	105		113			105
September.....			117		115	117		114			113	114	111	105
October.....			118	112	115	117	117	114			113	113	111	107
November.....			119		117		118	105	107	113	112	113	107	
December.....			114	112	115	115	116	112	108	113	113	113	106	
Average.....			115.3	114.4	114.0	116.0	116.9	115.1	109.3	111.1	112.9	113.3	110.3	105.6
SALES:														
Montreal.....			226000	77,000	64,000	42,000	27,000	37,000	38,000	55,000	89,000	50,000	63,500	25,000
Toronto.....	Listed	October	24th,	1908						5,000	1,000			

Winnipeg Electric Railway Company—Bonds, 5 Per Cent, First Refunding Mortgage. Dated January 2, 1905. Due January 1, 1935.*

(QUOTED AT MONTREAL.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....					107	105	108	104	99	104		104	105	100
February.....						106	108	105	99	106		104	105	101
March.....						108	109	102	100	105	105	104	105	101
April.....		108				108	109	104	100	106	104	104		101
May.....						108	110	105	101		103	104	105	100
June.....						109	110	104	100	106	104	104	105	100
July.....							106		100	105	103	105	105	101
August.....						108	106	101	101	105	104	104	105	99
September.....				108		108	106	101	101	105	103	105	105	98
October.....		110				109		100	102	104	103	105	104	98
November.....		110				110	107	100	102	104	103	105	104	98
December.....		110			104			100	106		104	104	104	98
Average.....		109.5		108.0	105.5	107.9	107.9	102.4	100.9	105.0	103.6	104.3	104.7	99.5
SALES:														
Montreal.....		23,000		1,000	225,000	485,000	174,000	123,000	130,000	117,500	87,500	205,000	139,000	96,000
Toronto.....												3,000		

*Quotations previous to December, 1904, are for Winnipeg Electric Street Railway Company 5 per cent Bonds, redeemable January 1, 1927.

TABLES OF DIVIDENDS, STOCK BONUSES, ISSUES OF NEW STOCKS.

I. BANKS.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
British N. America...	6	6	6	6	6	6	6	6	6	6	6	7	8	8
Commerce...	7	7	7	7	7	7	8	8	8	8	9	10	10	10
Dominion...	11½	10	10	10	10	10	12	12	12	12	12	12	12	12
Hamilton...	8	10	10	10	10	10	10	10	10	10	10	11	11	12
Hochelega...	7	7	7	7	7	7	7½	8	8	8	8	8½	9	9
Home...							6	6	6	6	6	6	6½	7
Imperial...	9½	10	10	10	10	10	10	11	11	11	11	12	12	12
Merchants...	7	7	7	7	7	7	7½	8	8	8	8½	9½	10	10
Metropolitan						8	8	8	8	8	8	10	10	10
Molsons...	8	8	9	9	9	10	10	10	10	10	10½	11	11	11
Montreal...	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Nationale...	6	6	6	6	6	6	6½	7	7	7	7	7	7½	8
Nor. Crown.									5	5	5	5½	6	6
Nova Scotia	9	9	9½	10	10	10	11½	12	12	12	12	13½	14	14
Ottawa.....	9	9	9	9	9	9½	10	10	10	10	10½	11	11½	12
Provinciale.		3	3	3	3	3	3	5	5	5	5	5	6	6
Quebec.....	6	6	6	6	7	7	7	7	7	7	7	7	7	7
Royal.....	7	7	7	8	8	8½	9½	10	10	10	11½	12	12	12
Standard...	9	10	10	10	10	10	12	12	12	12	12	12	13	13
Sterling...	1							5	5	5	5	5	6	6
Toronto....	10	10	10	10	10	10	10	10	10	10	10	11	11	11
Union.....	6	6	7	7	7	7	7	7	7	7	7½	8	8	8
Vancouver...														
Weyburn Security												5	5	5

Net Earnings on Paid-up Capital Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Br. N. America.....			9.5	7.5	9.2	9.3	12.9	12.3	8.6	10.2	11.4	12.9	13.7(1) (2)	12.3 (2)
Commerce.....			12.9	12.0	12.9	14.4	17.4	17.5	16.3	15.1	18.4	21.3 (2)	19.3 (2)	19.4 (2)
Dominion.....					15.3	16.4	18.0	17.8	16.2	15.6	16.5	16.6	17.9 (2)	17.1 (2)
Hamilton.....						15.4	15.0	15.6	14.6	15.3	16.3	16.2	15.4 (2)	15.3 (2)
Hochelaga.....							17.4	18.1	15.3	14.5	16.7	16.6	15.0 (2)	15.1 (2)
Home.....								10.0	11.2	9.1	9.0	10.3	11.0	12.1
Imperial.....							17.4 (1)	16.3	15.3	14.9	14.1	15.2	16.2 (2)	16.9 (2)
Merchants.....			9.2	12.2	12.2	10.8	12.3	16.0	12.3		17.6	19.7	19.9 (2)	..... (3)
Metropolitan.....					8.5	12.0	14.1	14.8	13.6	13.0	14.7	15.3	16.4 (2)	16.1 (2)
Molsons.....			14.1	16.8	15.4	13.3	14.5	17.0	18.2	14.1	17.2	17.8	16.2 (2)	16.5 (2)
Montreal.....					11.5	11.4	12.5	13.7	13.6	12.7	12.5	15.8	16.9	16.6 (2)
Nationale.....			12.4	10.0	10.2	9.4	13.1	17.0	15.6	14.4	12.9	13.1	14.6 (2)	14.6 (2)
Nor. Crown.....											11.7	12.9	13.4 (1) (2)	10.2 (2)
Nova Scotia.....	18.8	21.5	20.6	20.1	21.6	23.9		22.7	18.7	20.1	22.1	23.0	22.3 (2)	20.0 (2)
Ottawa.....	16.0	14.9	14.5	14.3	14.4	14.4		14.8	14.3	13.9	15.5	17.0	17.5 (2)	17.6 (2)
Provinciale.....			6.9	8.7	9.7	8.8	11.5	12.0	12.2	12.4	14.9	18.4	17.7	18.1
Quebec.....			10.1	10.6	11.3	10.5	11.0	12.0	11.2	10.1	11.2	11.1	11.2 (2)	10.7 (2)
Royal.....			14.0	13.6	14.5	16.4	17.1	19.0	19.2	18.1	18.3	18.6	18.3 (2)	17.7 (2)
Standard.....	14.3	16.2	17.7	18.2	18.3	15.7	17.6	17.8		17.9	18.1	18.3	19.1	20.7 (2)
Sterling.....											10.5	10.3	10.9	10.9
Toronto.....				15.8	15.0	14.5	14.7	14.7	14.6	14.5	14.7	16.4	16.6 (2)	16.6 (2) (4)
Union.....			12.1	16.5	17.5	15.3	16.0	14.9	12.6	12.8	12.5	14.7	14.0 (2)	14.3 (2)
Vancouver.....													5.0	.7
Weyburn Security.....														17.1

(1)—Based on eleven months' operations.

(2)—After deducting contributions to Pension or Officers' Funds.

(3)—Broken period of five months.

(4)—\$200,000 recovered from debts previously written off.

New Issues of Capital Stock.

	Date of Issue.	No. of Shares.	Par value.	Original Issue	Amount of New Issue.	Issue Price.	Rate of Allotment.
British N. America.....							
Commerce.....				8,000,000			
	May 30-'03	14,000	50		700,000(1)		
	Jan. 12-'05	26,000	50		1,300,000	140	1-6
	May 17-'11	40,000	50		2,000,000	180	1-5
	Mar. 1-'12	60,000	50		3,000,000(2)		
Dominion.....				1,500,000			
	June 30-'00	20,000	50		1,000,000	200	1-1½
	Aug. 22-'02	10,000	50		500,000	200	1-5
	Feb. 15-'07	20,000	50		1,000,000	210	1-3
	July 15-'11	10,000	100		1,000,000	200	1-4
	Feb. 15-'13	10,000	100		1,000,000	200	1-5
Hamilton.....				1,500,000			
	Jan. -'00	2,500	100		250,000	166	1-6
	Oct. -'00	2,500	100		250,000	166	1-7
	June -'03	2,500	100		250,000	185	1-8
	June -'05	2,500	100		250,000	200	1-9
	April 15-'10	5,000	100		500,000	200	1-5
Hochelaga.....				1,500,000			
	Feb. -'02	5,000	100		500,000	125	1-3
	Feb. -'07	5,000	100		500,000	135	1-4
	Jan. -'12	5,000	100		500,000	145	1-5
	Jan. -'13	10,000	100		1,000,000	150	1-3
Home.....				1,000,000			
	July 15-'08	5,000	100		500,000	133½	1-2
	April 15-'13	5,000	100		500,000(3)		
Imperial.....				2,500,000			
	July -'02	5,000	100		500,000	185	1-5
	June -'05	10,000	100		1,000,000	200	1-3
	July -'06	10,000	100		1,000,000	200	1-4
	April 30-'10	10,000	100		1,000,000	200	1-5
	June 30-'12	10,000	100		1,000,000	200	1-6
Merchants.....				6,000,000			
	Jan. 25-'11	10,000	100		1,000,000	175	1-6
Metropolitan.....							
Molsons.....				2,500,000			
	April 7-'03	10,000	50		500,000	190	1-5
	Nov. 30-'06	5,000	100		500,000	200	1-6
	Feb. 4-'10	5,000	100		500,000	210	1-7
Montreal.....				12,000,000			
	Jan. 7-'03	10,000	200		2,000,000	170	1-6
	May 9-'05	4,000	100		400,000(4)		
	Oct. 13-'11	16,000	100		1,600,000	175	1-9
Nationale.....				1,200,000			
	Dec. 31-'01	3,000	100		300,000	100	1-4
	Dec. 15-'06	3,000	100		300,000	120	1-5
	Nov. 15-'08	2,000	100		200,000	120	1-9
Nor. Crown.....							
	1905	10,000	100		1,000,000	110	
	1906	2,500	100		250,000	110	
	1904-5-6-7	9,575	100		957,500(5)	110	
	1912-1913 (6)	6,549	100		654,900		

New Issues of Capital Stock.—Continued.

	Date of Issue.	No. of Shares	Par Value	Original Issue	Amount of New Issue.	Issue Price	Rate of Allotment
Nova Scotia.....				1,860,000			
	Feb. 25-'01	1,400	100		140,000	230	
	Jan. 3-'05	3,403	100		340,800	260	
	Dec. 1-'05	1,592	100		159,200	265	
	Feb. 21-'06	5,000	100		500,000	265	
	Dec. 13-'10	10,000	100		1,000,000	265	
	July 31-'12	10,000	100		1,000,000	240	
	Feb. 15-'13	10,000	100		1,000,000(7)		
Ottawa.....				2,000,000			
	Feb. 2-'03	5,000	100		500,000	190	1-4
	Nov. 15-'05	5,000	100		500,000	200	1-5
	Oct. 30-'09	5,000	100		500,000	200	1-6
	August 31-'12	5,000	100		500,000	200	1-7
Provincial.....							
Quebec.....				2,500,000			
	Jan. 16-'13	5,000	100		500,000	125	1-5
Royal.....				2,000,000			
	Dec. 30-'02	4,180	100		481,000	250	1-4
	Jan. -'03	190	100		19,000	280	
	Feb. 16-'03	5,000	100		500,000	200	1-5
	Feb. 16-'06	9,000	100		900,000	210	1-3
	Feb. 8-'09	11,000	100		1,100,000	200	1-4
	Nov. 1-'10	12,000	100		1,200,000(8)		
	Dec. 15-'11	20,000	100		2,000,000	210	1-3½
	Sept. 3-'12	33,600	100		3,360,000(9)		
Standard.....				1,000,000			
	April 12-'06	5,000	50		250,000	200	1-4
	Sept. 25-'06	6,250	50		312,500	200	1-4
	Feb. 10-'09	3,906	50		390,600	200	
	1909-1912	469	50		46,900	200	
	June 17-'12	10,000	50		500,000	200	1-4
	June 25-'13	10,000	50		500,000	200	1-5
Toronto.....				2,000,000			
	July 31-'01	5,000	100		500,000	200	1-4
	April 30-'03	5,000	100		500,000	200	1-5
	May 31-'05	5,000	100		500,000	200	1-6
	June 2-'06	5,000	100		500,000	200	1-7
	August 15-'11	10,000	100		1,000,000	200	1-4
Sterling.....							
Union.....				2,000,000			
	July -'02	2,500	100		250,000	125	1-8
	March -'03	2,500	100		250,000	130	1-9
	June -'05	5,000	100		500,000	140	1-5
	May -'07	10,000	100		1,000,000	140	1-3
	Feb. -'11	10,000	100		1,000,000	150	1-4
Vancouver.....							
Weyburn Security.....							

(1)—Paid for assets of Halifax Banking Company.

(2)—Paid for Eastern Townships Bank.

(3)—In purchase of assets of La Banque Internationale du Canada at \$128 per share.

(4)—Given shareholders of People's Bank of Halifax at 253 in exchange for their stock at 115.

(5)—For purchase of Crown Bank of Canada.

(6)—Also Stock Bonus paid to Northern Bank shareholders under Clause 7 of the amalgamation agreement Amount, \$186,518.00.

(7)—Capital of Bank of New Brunswick.

(8)—To shareholders Union Bank of Halifax, at 250 per share in exchange for their stock at 200.

(9)—To shareholders Traders Bank of Canada, at 240 per share in exchange for their stock at 180.

II. INDUSTRIALS.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Acadia Sugar.....					1	1	3	3	4	4	5	5	5	5
Auer Light (1).....	3	4	3	2	4½	6	6	7½	7½	6	6	1½	3	3
B. C. Packers.....											4½	6	6	6
F. N. Burt Co.....											2	4	4	4
Can. Car Fndry.....										4	4	4	4	4
Can. Con. Rubber.....								4	4				2	
Can. Converters.....							4	4	4	4				
Can. Col. Cotton.....	4	4	4	4										
Can. Cottons, Ltd.....														
Can. Gen. Elec.....	10	10	10	10	10	10	10	10	7	7	7	7	7	7
Can. Salt.....				8	8	8	8	8	8	8	8	8	8	8
Canadian Westinghouse.....						6	6	6	6	6	6	6	7	7
Canadian Westinghouse.....											1	2	2	2
Carriage Factories.....											2	2	2	
Carter-Crume.....			5	5	3	3				2	2	2	2	7
City Dairy.....				8	8			4	4	4	1	4	4	
Dom. Coal.....							1¼	5	5	5	5	5	5¼	6
Dom. Textile.....					5	6	6	6	6	6	7	8	8	8
L. of the Woods.....										10	5			2
Laurentide Co.....	6	8	8	8	7	6	6	6	7	7	7½	8	8	8
Montreal Cotton Co.....					9	7	7	7	8	8	8	7¾	8	8
Montreal Cottons, Ltd.....													1	4
Montreal Steel Works.....				5	5	7	7	7	4	7	10			6
N. S. Steel and Coal.....			5½	6	3			6	1½	1	4½	6	6	6
Ogilvie Flour Mills.....						7	7	7	7	8	8	8	8	8
Paton Mfg. Co.....										4½	6	1½	6	6
Penmans, Ltd.....								2	4	4	4	4	4	4
Wm. A. Rogers, Ltd.....			4	4	4	4	6	8	8	8	10	10	12	12
Shredded Wheat.....									3	3	3	4	4	4
Shredded Wheat.....												1	1½	2
Standfields, Ltd.....											4	4	4	4
Victoria Rolling Stock (2).....			12	12	12	12	12	12	12	6	6	6	6	6
Victoria Rolling Stock (2).....										20	5			
Western Canada Flour Mills.....									5		6	8	8	8

(1)—Capital stock reduced June 1903 from \$500,000 to \$100,000 by reducing par value of shares from 100 to 20.

(2)—On the 10th of June 1909 a special dividend of 20 per cent on the subscribed capital stock of the Company was paid out of the balance at credit of profit and loss account, and a call of 20 per cent on the subscribed capital stock of the Company, amounting to \$120,000, was made payable on the 11th of June 1909, making the paid up capital stock of the Company \$240,000.

Annual Dividends Paid on Preferred Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Acadia Sugar						8	6	6	6	6	6	6	6	6
B. C. Packers			3½	7	7	7	7	7	7	7	7	7	7	7
F. N. Burt Co. (1)										1¾	7	7	7	7
Can. Cement											7	7	7	7
Can. Paper				7	7	7	7	7	7	7	7	7	7	7
Can. Car and Foundry											7	7	7	7
Can. Consol. Rubber											7	7	7	7
Can. Cottons Limited										7	7	7	7	7
Can. General Electric (2)	6	6	6	6	6	6	6	6	7	7	7	7	7	7
Carriage Factories											7	7	7	7
Carter-Crums (3)			7	7	7	7	7	7	7	7	7	7	7	7
City Dairy (4)											7	7	7	7
Dominion Coal			8	8	8	8	7	7	7	7	7	7	7	7
Dom. Textile											7	7	7	7
L. of the Woods Milling											7	7	7	7
Laurentide Co., Ltd.											7	7	7	7
Montreal Cottons, Ltd.													7	7
Montreal Steel Works				7	7	7	7	7	7	7	7	7	7	7
N. S. Steel and Coal			8	8	8	8	8	8	8	8	8	8	8	8
Ogilvie Flour M. (5)				7	7	7	7	7	7	7	7	7	7	7
Penmans, Ltd.														
Wm. A. Rogers, Limited			7	7	7	7	7	6	6	6	6	6	6	6
Shredded Wheat Co.														
Stanfields, Limited							7	7	7	7	7	7	7	7

(1)—Capital Stock. Issued previous to 1911.....\$ 750,000
 " March 15, 1911..... 300,000 at par
 " March, 1911..... 380,200 to purchase Dominion Paper Box Co.
 " November 25, 1912..... 545,000 at par

(2)—Original issue of \$300,000 was redeemed January 2nd, 1908, at 105. In 1907 \$2,000,000 new preferred stock, 7% cumulative, was issued, which may be redeemed after January 1, 1915 at 115.

(3)—On March 18, 1907 the preferred stock was increased from \$800,000 to \$1,000,000.

(4)—Preferred Stock. Allotted previous to 1907.....\$ 292,200
 " September 30, 1907..... 57,800 at par
 " November 17, 1909..... 100,000 at par
 Paid S. Price & Sons, Ltd..... 175,000 in purchase of business
 Allotted August 25, 1911..... 75,000 at par
 \$ 700,000

(5)—Preferred Stock. Allotted June 16, 1902.....\$1,600,000 at 102½
 " June 22, 1905..... 400,000 at par

New Issues of Capital Stock.

	Date of Issue.	No. of Shares	Par Value	Original Issue	Amount of New Issue.	Issue Price	Rate of Allotment
Canadian Gen. Elec.				900,000			
	Feb. 27-'00	3,000	100	.....	3,000	125	1-3
	Dec. 20-'01	3,000	100	.....	300,000	150	1-4
	April 25-'02	6,250	100	.....	625,000	150	1-2½
	Feb. 16-'03	5,750	100	.....	575,000	150	1-3½
	April 22-'05	9,000	100	.....	900,000	125	1-3
	Jan. 1906	11,000	100	.....	1,100,000	120 (1)	
	May 21-'10	9,400	100	.....	940,000	100	1-5
	Jan. 18-'12	600	100	.....	60,000	100	1-9½
	April 20-'12	19,000	100	.....	1,900,000	103	1-3
	Nov. 24-'12	4,000	100	.....	400,000	103	1-19
Canadian Westinghouse				2,500,000			
	April 30-'06	10,000	100	.....	1,000,000	100	2-5
	July 2-'07	8,766	100	.....	876,600	100	1-4
	Sept. 30-'12	6,161	100	.....	616,100	100	1-7
City Dairy				507,200			
	Sept. 30-'07	578	100	.....	57,800	20 (#)	
	March 31-'13	Reduction	to	282,500			
	April 1-'13	2,825	100	.....	282,500	100	

(1)—Sold in London.

(2)—This stock was issued at the formation of the Company but held in trust for the benefit of the Company.

(3) LAND, LOAN, MORTGAGE AND SAVINGS COMPANIES.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Acadia Loan.....				5	5	5	5	5	5	5	5	6	6	6
Canada Landed.....	6	6	6	6	6	6	6	7	7	8	8	8	8	9
Canada Perm. Mortgage.....	6	6	6	6	6	6	6	6	7	8	8	8	9	10
Canadian Mortgage.....									6	6	6	6	6	6
Can. Northern Prairie L.....								10	10	10	10	11	12	12
Central Canada Loan & S.....	6	6	6	6	6	6	8	8	8	8	8	10	10	10
Colonial Inv. & Loan.....							6	5	5	5	5	5	5	6
Dominion Perm. Loan.....							6	6	6	6	6	6	6	6
Dominion Sav. & Inv.....	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Eastern Can. Sav. & Loan.....						6	7	7	7	7	7	7	7	8
Empire Loan.....						6	6	6	6	6	6	6	6	8
Great West Perm. Loan.....						2	2	2	2	2	2	2	2	2
Hamilton Prov. & Loan.....	6	6	6	6	6	6	6	6	6	6	6	7	7	7½
Home Inv. & Savings.....										8	8	8	8	9
Huron & Erie Loan & S.....	9	9	9	9	9	9	9	9	9	9	10	10	10	11
Imperial Loan & I.....	5	5	5	5	5	5	5	5	5	5	5	5½	6	6
Landed Banking & Loan.....	6	6	6	6	6	6	6	6	6	6	7	7	7	7½
London & Can. Loan and Agency.....	6	6	6	6	6	6	6	6	6	6	6	6	7	7½
London Loan & Savings.....	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Montreal City & Dist Sav. B.....														2
Montreal Loan & Mtg.....		7	7	7	7	7	7	8	8	8	8	8	9	10
N. of Scotland.....		1	1	1	1	1	1	1	1	1	1	1	1	1
Can. Mtg.....	10	10	10	10	10	10	10	10	10	12½	12½	12½	12½	12½
Ontario Loan & Debent.....	6	6	6	6	6	6	6½	6½	6½	7	7½	8	8	8
Peoples Loan & Savings.....						½			½					½
Real Estate Loan of Can.....	4	4	5	5	5	5	5	5	5½	6	6	6	6	6
Royal Loan & Savings.....		½			½	½	½	½	6	6	6	7	7	7
Toronto Mortgage.....	5	5	5	5	5	5	5	5½	6	6	6	7	7	8
Toronto Sav. & Loan.....	6	6	6	6	6	6	6	6	6	6	8	10	10	10

(1)—Value of shares, \$5.00.

(2)—From 1900 to 1908 inclusive, dividends are on shares 20% paid; from 1909 to 1913, on shares fully paid.

(3)—Dividends on Permanent Stock.

(4)—The following statement shows dividend payments from 1905:

	Capital auth. & sub.	Capital paid up	Par Value	Paid per share	Dividends per share	Bonus per share
1905.....	\$2,000,000	600,000	400	120	\$16	4
1906.....	"	600,000	400	120	20	
1907.....	"	600,000	400	120	20	
1908.....	"	600,000	400	120	20	
1909.....	"	700,000	400	140	20	
1910.....	"	1,000,000	400	200	23	
1911.....	"	1,000,000	100	50	8	
1912.....	"	1,000,000	100	50	8	
1913.....	"	1,000,000	100	50	8	

New Issues of Capital Stock.

	Date of Issue.	No. of Shares	Par Value	Original Issue	Amount of New Issue.	Issue Price	Rate of Allotment
Canada Landed. 50% pd.....	Jan. 15-'12	4,020	100	2,008,000	402,000	100	1-5
Hamilton Prov. and Loan, 20% pd.....	1911	3,000	100	500,000	300,000	120	1- $\frac{3}{4}$
	May 1-'13	2,000	100		200,000	120	1-4
Huron & Erie pd. up. 20% pd.....	June. 15-'12	2,000	50	1,500,000	100,000	200	1-15
	Feb. ..-'11	2,000	50	400,000	100,000	190	1-4
Landed Banking and Loan.....	Feb. 21-'13	3,500	100	700,000	350,000	120	1-2
London & Can. Loan & Agency.....	Dec. 15-'12	5,000	50	1,000,000	250,000	100	1-4
Montreal Loan and Mortgage.....	March 31-'11	4,000	25	500,000	100,000	100	1-5
N. of Scotland Can. Mitge. £2 pd.....	1907	25,000	£ 10	£750,000	£250,000	} prem. £2 prem. £3	1-3
	1911	10,000	10		100,000		1-10
	Jan. 29-'12	11,000	10		110,000		1-10
	1913	9,000	10		90,000		
Real Estate Loan Co. May 31-'10		1,263	100	\$ 373,720	126,280	100	1-3

Net Earnings on Paid-up Capital Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Acadia Loan.....						8.8	10.2	9.0	9.7	8.3	8.3	10.3	9.3	9.8
Canada Landed and I.....	8.1	8.3	9.0	9.6	9.1	10.1	12.2	12.7	13.0	13.4	14.9	15.5	15.4	15.8
Canada Perm. Mortgage.....		6.4	8.3	8.6	9.0	9.2	10.6	11.4	11.5	11.6	11.9	12.5	13.8	14.7
Canadian Mort. Inv.....									7.1	7.3	7.7	8.4	8.6	9.4
Canadian Northern Prairie L.....													15.5	
Central Can. Loan and S (1).....	10.7	17.3	13.3	16.0	19.7	12.0	10.2	11.9	15.8	15.3	17.1	16.1	16.3	16.3
Colonial Inv. and Loan (2).....									6.1	6.4	5.8	8.0	12.8 (3)	8.5
Dominion Perm. Loan.....										8.3	8.1	8.9	9.3	11.2
Dominion Sav. & Inv.....		5.4	5.3	5.4	5.4	5.3	5.2	5.4	5.4	5.6	5.7	5.8	6.3	7.1
Eastern Can. Sav. & Loan.....							10.7	8.1	9.2	9.0	10.9	12.0	12.1	12.7
Empire Loan.....									9.4	10.8	11.2	10.3	11.0	9.5
Great West Perm. Loan.....										12.8	11.9	14.0	13.3	11.6
Hamilton Prov. & Loan.....	7.9	8.5	8.6	8.7	8.9	10.1	10.4	10.5	10.9	11.4	11.9	12.4	12.6	12.6
Home Inv. & Savings.....											14.3	14.3	14.7	15.7
Huron & Erie Loan & S.....	11.5	11.4	11.0	10.7			12.4	12.5	12.7	14.2	14.6	15.3	16.4	17.1
Imperial Loan & Inv.....						6.5	5.5	5.7	5.7	5.3	4.4	12.3	5.1	
Landed Banking & L.....	7.3	7.8	8.7	10.1	11.1	12.2	12.2	11.5	11.0	12.2	13.6	14.4		12.7
London & Can Loan and Agency.....				6.7	6.7	7.3	8.2	7.9	9.3	10.6	12.6	14.0		13.8
London Loan and Savings.....	6.4	6.8	6.9	6.9	7.8	8.0	7.5	7.0	7.8	9.2	8.8	10.2		12.4
Montreal City and Dist. Bank.....							26.1	26.3	25.4	25.3	17.8	22.4	23.2	23.7
Montreal Loan and Mortgage.....	9.5	9.7	10.0	10.2	10.6	12.2	11.9	11.4	12.1	12.6	14.8	12.7		12.9
N. of Scotland Can. Mtge.....				15.0	17.4	17.6	17.7	18.8	18.7	20.7	22.8	23.7		23.9
Ontario Loan and Debenture.....	8.3	8.1	8.1	8.6	9.2	9.1	9.4	10.5	11.2	12.3	12.0	13.6		14.5
People's Loan and Savings.....									7.8	7.4	6.7	6.9		6.5
Real Estate Loan Co.....	5.5	6.7	6.8	6.7	7.0	7.9	8.7	9.2	9.7	9.1	7.6	10.9		11.2
Royal Loan and Savings.....					7.5	7.9	8.5	9.1	9.5	9.7	10.7	10.6	10.7	11.4
Toronto Mortgage.....	6.9	6.4	6.6	7.2	7.5	8.1	9.0	9.0	9.2	9.8	10.5	10.7		12.0
Toronto Savings and Loan.....	9.8	11.9	9.3	9.3	9.8	9.4	10.9	9.7	12.4	12.8	14.2	14.7		15.7

(1)—From 1900 to 1908 inclusive, net earnings were on shares 20% paid; from 1909 to 1913, on shares fully paid.

(2)—Net earnings on Permanent Preference Stock.

(3)—Including profit on sale of King Street property.

(4) LIGHT AND POWER COMPANIES.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Consumers Gas Co.....	10	10	10	10	10	10	10	10	10	10	10	10	10	10
London Elec. Co.....	6	6	6	6	6	6	6	6	6					
Mexican L. & Power.....									3½	4	4	4	4	3
Montreal L. H. & P.....		4	4	4	4	4	5	6	6½	6½	7¼	8	8½	9½
Ottawa L. H. & P.....										5	6	7	7	8
Rio de Janeiro T. L. & P.....										1	2	1	1	2
Shawinigan Water & P.....										1	4½	5		5
Toronto Elec. Light.....	7	7	7	7	7	7	7½	8	8	8	8	5	5½	6

(1)—Less \$8,940 on sale of bonds.

(2)—Company sold on April 8, 1911 to the Toronto Power Company, at \$135 per share.

New Issues of Capital Stock.

	Date of Issue.	No. of Shares.	Par value.	Original Issue	Amount of New Issue.	Issue Price.	Rate of Allotment	
Montreal L.H. & P.	Sept. 15-'13	17,000	100	17,000,000	1,700,000(1)	100		
	19-'13	1,000	100		100,000(2)	100		
Ottawa L.H. & P.	Feb. 15-'11	3,951	100	1,580,400	395,100(3)	100		
	June 20-'13	8,000	100		800,000			
Shawinigan Water and P.	Dec. -'09	5,000	100	6,500,000	500,000	100	1-13	
	Sept. -'10	5,000	100		500,000	100	1-14	
	Sept. -'10	10,000	100		1,000,000 at p	rem. Privat	e Sale.	
	May -'11	5,000	100		500,000 "	" "	" "	
	Oct. -'11	10,000	100		1,000,000	108	1- 9	
	Sept. -'12	10,000	100		1,000,000	120	1-10	
Toronto Elec. Light.	March 20-'03	10,000	100	2,000,000	1,000,000	100	1- 2	
	Oct. 15-'07	10,000	100		1,000,000	100	1- 3	

(1)—Issued to shareholders.

(2)—Issued to employees.

(3)—Stock bonus of 25 per cent.

(5) NAVIGATION COMPANIES.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Niagara Navigation Co.			8	8	8	8	8	8	8	8	8	8	4	
Northern Navigation Co.		10	10	5		6	6	8	8	8	8			
Richelieu and Ontario	6	6	6	6	3		1½	5	5	5	5¼	6½	8	
St. Lawrence and Chicago			26¾	10	8	10	10	10	7	8	3	5	8	8

Net Earnings on Paid-up Capital Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Niagara Navigation Co.....				11.7	10.4	14.9	17.6	14.3	14.6	12.3	17.8	20.3		
Northern Navigation Co.....								16.9	12.1	14.0	16.0			
Richelieu and Ontario (1).....						7.6	8.3	8.3	8.0	8.2	11.6	10.7	12.1	
St. Lawrence and Chicago (2).....						19.0	16.4	11.2	7.0	13.1	3.4	5.6	14.1	15.4

(1)—Actual net earnings from 1900 to 1905:

1900.....	129,323	1902.....	\$174,585	1904.....	\$ 94,313
1901.....	166,098	1903.....	189,632	1905.....	239,295

7.64% of pd. up capital

(2)—Actual net earnings from 1902 to 1904:

1902.....	\$41,160	1903.....	\$58,892	1904.....	\$49,669
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New Issues of Capital Stock.

	Date of Issue.	No. of Shares.	Par value.	Original Issue	Amount of New Issue.	Issue Price.	Rate of Allotment
Niagara Nav. Co....				605,400			
	Aug. 1-'05	963	100		96,300	100	1-6
	Dec. 15-'11	1,002	100		100,200	100	1-7
	19-'11	1,981	100		198,100(1)		
Richelieu & Ontario.				1,740,000			
	Feb. 16-'00	3,480	100		348,000	100	1-5
	March 16-'01	4,176	100		417,600	100	1-5
	Feb. 28-'02	6,264	100		626,400	100	1-4
	April 13-'11	10,400	100		1,040,000	100	1-3
	Sept. --'11	10,161	100		1,016,100		
	Dec. --'11	338	100		33,775		
Since Dec. --'11	46,881	100		4,688,125			
St. Lawrence and Chicago.....				350,000			
	Dec. 15-'02	1,000	100		100,000	100	1-3½
	June 15-'03	500	100		50,000	100	1-9
	August --'03	633	100		63,300	100	1-8
	Dec. 15-'06	1,877	100		187,700	100	1-3
	Jan. 20-'08	1,090	100		109,000	100	1-7
Nov. 15-'13	1,064	100		106,400	100	1-8	

(1)—Used in purchase of steamers.

(6) RAILWAY COMPANIES.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canadian Pacific.....	5	5	5	5½	6	6	6	6	6	6	6½	7	7	7
Minneapolis St. Paul & S. Ste Marie.....				2	4	4	4	4	6	6	7	7	7	7

New Issues of Capital Stock.

	Date of Issue.	No. of Shares.	Par value.	Original Issue	Amount of New Issue.	Issue Price.	Rate of Allotment
Canadian Pacific.....				65,000,000			
	March 27-'02	195,000	100		19,500,000		1-3¼
	Oct. 27-'04	169,000	100		16,900,000		1-5
	April 21-'06	202,800	100		20,280,000		1-5
	Jan. 13-'08	243,360	100		24,336,000		1-5
	1908-'09	39,840	100		3,984,000		
	Nov. 16-'09	300,000	100		30,000,000	125	1-5
	Jan. 2-'12	180,000	100		18,000,000	150	1-10
	Sold 1912	20,000	100		2,000,000(1)		
	Jan. 2-'13	600,000	100		60,000,000	175	1-3¼

(1)—Sold at a premium of \$2,860,821.80.

(7) ELECTRIC RAILWAY COMPANIES.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Camaguey Co.....										4	4	4	4	2
Demerara.....										5	5	5	5	4¼
Detroit United.....		4	4	4	4	4½	5	2½			5	5	5	6
Halifax.....	5	5	5	5	5	6	6	6	6	6¼	7	8	8	8
Havana El. R. L. & P.....										4	5½	6	6	6
London.....	4	8	8	6	6	6		3	6	6	6	6	6	6
Mexico Tramways.....								1	4	6	6½	7	7	5½
Montreal.....	10	10	10	10	10	10	10	10	10	10	10	10		10
Northern Ohio Trac. & L.....								1¼	1½	1¼	2½	3¼	4¼	5
Ottawa.....		8	8	8	8	8	8	10	10	10	10	10	12	12
Rio de Janeiro Tr., L & P.....						2	4	2	2	2	2	5	3	3
Sao Paulo Tr., L. & P.....			3¼	5¼	7½	8	8	8¼	9¼	10	10	10		5
Saint John.....		6	6	6	6	6	6	6	6	6	6	6	6	6
Toronto.....	4	4½	5	5	5	5	6	6	6	7	7	7½	8	8
Tri-City Ry. and Light (1).....								6	6	6	6	6	6	6
Trinidad Elec. Co.....					5	5	5	5	5	5	5	5	5	5
Twin City Rapid Tr.....	3	3½	5	5	5	5	5	5	5	5½	6	6	6	6
West India Elec. Co.....								4	5	5	5	5	5	5
Winnipeg El. Ry. Co.....	5	5	6			5	6½	8	10	10	10	11½	12	12

(1)—Dividends on Preferred Stock.

Net Earnings on Paid-up Capital Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Halifax.....						8.1	10.5	10.9	11.3	12.7	14.3	15.4	15.5	14.5
London.....				7.9	6.1	5.5	3.5	6.9	7.1	8.1	8.2	10.5	12.1	12.2
Ottawa.....			10.6	11.0	13.9	14.4	18.0	18.1	14.0	15.9	17.7	23.7	20.9	19.5
Sao Paulo.....			7.2	9.0	9.2	12.9	13.4	12.3	12.5	12.5	16.0	17.7		
Saint John.....										6.6	6.8	6.8	7.3	
Toronto.....			7.4	8.4	8.8	9.2	10.8	12.2	11.8	13.7	15.1	13.2	13.2	14.9
Trinidad.....										6.8	5.8	5.5	5.9	
Twin City.....	4.7	5.9	7.1	7.3	6.2	5.9	5.7	5.7	5.6	6.5	7.2	7.3	7.5	7.5
West India.....			3.7	4.9	3.5	4.3	6.4	7.1	9.5	9.0	10.1	10.0	9.4	10.8
Winnipeg.....	9.1	8.5	9.6	12.0	12.8	9.9	11.2	12.0	13.1	14.4	15.6	18.5	16.8	14.1

New Issues of Capital Stock.

	Date of Issue.	No. of Shares	Par Value	Original Issue	Amount of New Issue.	Issue Price	Rate of Allotment
London.....	Feb. ..-'09	150	40	550,000	6,000	100	
Montreal.....	1900	10,000	100	5,000,000	1,000,000		
	1903	10,000	100		1,000,000		
	Dec. 15-'06	20,000	100		2,000,000	175	1- 3½
	June. 1908	10,000	100		1,000,000	125	1- 9
Ottawa.....	March 1-'12	6,239	100	1,253,000	623,900		1- 2
Saint John.....	1913	2,000	100	800,000	200,000	100	1- 4
Toronto.....	1902	6,000	100	6,000,000	600,000	100	1-10
	July 1903	4,000	100		400,000	100	1-16½
	April 28-'06	10,000	100		1,000,000	100	1- 7
	August 25-'11	10,000	100		1,000,000(1)		
	August 25-'11	20,000	100		2,000,000	100	1- 4½
Twin City.....	May 14-'02	15,010	100	15,010,000	1,501,000	100	1-10
	1905	4,890	100		489,000		
	June 9-'05	10,000	100		1,000,000	100	
	June 1-'06	21,000	100		2,100,000	100	

(1)—Stock bonus.

(8) TELEGRAPH, TELEPHONE AND CABLE COMPANIES.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Bell Telephone.....	8	8	8	8	8	8	8	8	8	8	8	8	8	8
Dominion Telegraph.....	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Mackay Companies.....						2	3	4	4	4½	5	5	5	5
Mackay Companies..... (Preferred.)					3	4	4	4	4	4	4	4	4	4
Montreal Telegraph.....	8	8	8 ¼	8 ¼	8 ¼	8 ¼	8 ¼	8 ¼	8 ¼	8 ¼	8 ¼	8 ¼	8 ¼	8 ¼

Net Earnings Per Cent on Paid-up Capital Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Bell Telephone (1).....										11.8	13.3	11.4	11.1	11.1

(1)—Actual net earnings, 1901-1908:

1901.....	\$117,735	1904.....	\$701,905	1907.....	\$1,043,798
1902.....	504,242	1905.....	902,319	1908.....	1,424,274
1903.....	582,152	1906.....	992,855		

New Issues of Capital Stock.

	Date of Issue.	No. of Shares.	Par value.	Original Issue	Amount of New Issue.	Issue Price.	Rate of Allotment
Bell Telephone.....				4,950,000			
	Dec. ...'00	500	100		50,000 (1)		
	May ...'02	10,000	100		1,000,000	125	1-5
	Feb. ...'04	20,000	100		2,000,000	125	1-3
	May ...'05	10,000	100		1,000,000	125	1-8
	August ...'06	10,000	100		1,000,000	125	1-9
	March 23-'07	25,000	100		2,500,000	100	1-4
	Sept. 30-'11	25,000	100		2,500,000	100	1-5
	Jan. 15-'13	30,000	100		3,000,000	100	1-5

(1)—Sold at a net premium of \$35,105.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Eastern.....					6	6	6	7	7	7	7	7	7	7
National.....	5	6	6	6	6	6	7	7	8	8	9	10	10	10
Toronto General.....	7½	7½	7½	7½	7½	7½	7½	7½	7½	8	8	8	10	10
Union.....		4	4	4	4	4	4	4	3	8	8	10	10	10

Net Earnings Per Cent on Paid-up Capital Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Eastern.....						13.5	14.5		10.7	9.0	9.4	8.9	9.5	10.7
National.....			8.3	8.9	9.3	11.3	12.2	13.4	13.9	16.0	18.2	15.5	16.2	16.8
Toronto General.....			9.5	9.9	10.1	10.8	15.0	13.6	13.1	16.2	17.8	19.8	21.1	22.3
Union.....			9.8	8.0			7.4		12.6	16.7	19.5	20.1	20.6	20.1

New Issues of Capital Stock.

	Date of Issue.	No. of Shares	Par Value	Original Issue	Amount of New Issue.	Issue Price	Rate of Allotment
National.....	Jan. 1911	5,000	100	1,000,000	500,000	200	1-2
Toronto General.....	June 5-'12	2,500	100	1,000,000	250,000	185	1-4
	April 15-'13	2,500	100		250,000	185	1-5

(10) CANADIAN ASSURANCE COMPANIES.

Annual Dividends Paid on Common Stock.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Acadia F.					6	6	6	6	6	6	6	6	6	6
Br. America F. (1)	7	7	6	6	6	6	6	6	6	6	6	6	6	6
Canada L.		8	8	8	8	8	8	8	8	8	8	8	8	8
Anglo-Amer. F.														
Canada Nat. F.													6	8
Canadian F.													4	2
Confederation L.	15	15	15	15	15	15	15	15	15	15	15	20	20	20
Continental L.												6	7	7
Crown L.							8	8	3	6	6	6	7	7
Dominion L.							8	8	10	10	10	11	11	12
Federal L.			6	6	6	8	8	8	10	10	10	10	10	10
Gr. West L.			2	2	2		6	7½	7½	7½	7½	7½	7½	7½
Guarantee Co. of N. A.			6	6	6	6	8	8	8	8	8	10	10	10
Imperial L.			2	2	2	2	2	2	2	2	2	2	2	2
Manufacturers L.			6	6	6	6	6	6	6	6	6	6	6	6
Mutual L. (2)			8	8	8	8	8	8	8	8	8	8	8	8
National L. (3)							10	10	10	10	10	10	10	10
N. American Life.							15	15	15	15	15	15	15	15
Sun Life.														
Western, F. & Marine (4)	10	8	6	6	6	6	10	10	10	10	10	10	10	10
Dom. of Canada Guar. & Acc.							10	10	10	10	10	10	10	10
Equity Fire.							8	8	6	6	6	6	6	6
London Life (5)							8	8	9	9	9	9	9	9
Mt. Royal.													8	8
Northern L.								6	6	6	6	6	6½	6½
Western L.														

(1)—Dividends paid on Preferred: 1906-9, Nil; 1910, 10½; 1911, 10½; 1912, 10½; 1913, 7. In 1906 \$550,000 7% cumulative Preferred was issued at a premium of 25%.

(2)—No capital stock—purely a mutual company.

(3)—In 1912 a stock dividend of \$25,000 was paid.

(4)—In 1906 capital stock was increased from \$1,500,000 to \$2,500,000 by the issue of \$1,000,000 7% cumulative preferred at a premium of 25%. Dividends paid on Preferred: 1906-8, Nil; 1909, 7; 1910, 3 half-yearly dividends of 3½% each; 1911, do.; 1912, do; 1913, 2 yearly dividends of 3½% each.

(5)—Limited to 7% and 5% of profits, but not to exceed in all 9% of paid up capital.

New Issues of Capital Stock.

	Date of Issue.	No. of Shares.	Par value.	Original Issue	Amount of New Issue.	Issue Price.	Rate of Allotment
Br. America F.				750,000			1-3
	Feb. 1900	5,000	50		250,000	115	
	May 1904 (1) May 1904	15,000	25		350,000	100	
Sun Life.				105,000			
	1910	2,800	25		70,000	\$20 prem.	
	1910	3,000	25		75,000		
Western F. & Marine				2,000,000			
	May 1904 (1)						
	May 1904	25,000	20		500,000		

(1)—Due to losses incurred in the Baltimore and Toronto fires.

(1)—Par value of shares reduced from 50 to 25.

(1)—Par value of shares reduced from 40 to 20.

NOTE I.—RECORD OF TRADING ON MONTREAL AND TORONTO STOCK EXCHANGES.

TABLE XXVIII.—TOTAL SALES, 1900-1913.

YEAR.	MONTREAL		TORONTO.	
	STOCKS.	BONDS.	STOCKS.	BONDS.
	No. of Shares.	Value.	No. of Shares.	Value.
1901.....	2,834,169	1,889,400	1,911,436	468,200
1902.....	2,985,267	7,834,200	2,172,136	2,601,400
1903.....	1,393,861	3,048,300	1,083,742	1,050,600
1904.....	793,735	5,249,000	575,797	1,165,900
1905.....	1,075,953	5,689,528	766,433	1,347,400
1906.....	1,274,516	6,285,524	742,016	3,214,400
1907.....	699,863	3,956,236	436,448	2,937,200
1908.....	1,475,105	4,500,183	610,062	3,578,000
1909.....	3,339,747	5,791,428	1,443,346	3,659,700
1910.....	2,137,426	6,124,530	940,544	2,829,220
1911.....	2,255,159	5,968,800	914,553	1,998,230
1912.....	2,349,630	6,319,539	1,176,509	1,715,320
1913.....	2,039,769	5,147,739	935,963	1,001,700

TABLE XXIX.—MONTREAL STOCK EXCHANGE.

Number of Shares Sold, 1901-1913.

(In Thousands.)

	1901	1902	1903	1904	1905	1906*	1907	1908	1909	1910	1911	1912	1913
Banks.....	13	12	17	13	15	.....	16	15	18	23	33	50	25
Railways.....	278	493	246	115	128	.....	33	119	119	115	159	205	178
Electric Rys.....	405	372	339	207	366	.....	258	178	312	501	494	263	260
Industrials.....	113	821	294	135	262	.....	197	212	1290	761	705	894	541
Light & Power (1).....	315 (2)	.....	.....	.....	.....	.....	.....	.....	237	248	297	432	177
Mining.....	104	180	94	47	34	.....	23	17	97	73	10	2	8
Mining, Par Val \$5 or less (3).....	1,508	524	194	60	35	.....	2	652	1,161	362	301	250	486
Telegraph, Telephone & Cable (1).....	21	.....	.....	67	74	.....	38	33	31	15	10	19	14
Miscellaneous.....	78	225	206	100	133	.....	120	207	43	21	188	150	83
Rights.....	.....	360 (4)	4	50	29	.....	13	43	30	18	58	83	268 (5)
Totals (6).....	2,835	2,987	1,394	794	1,076	.....	700	1,476	3,338	2,137	2,255	2,348	2,040

(1)—The totals for the years omitted are included under Miscellaneous.

(2)—Gas, Light and Power.

(3)—From 1901-1907 inclusive, quotations represent number of shares of Par Value \$1.00 or less.

(4)—Of this number, 353,000 represent C. P. R. Rights.

(5)—Of this number, 92,000 represent C. P. R. Rights, 75 Montreal Power, and 64 Montreal Power and Shawinigan.

(6)—These correspond to the nearest thousand, with the totals in the preceding table.

* No analyses of the 1906 totals are at hand.

TABLE XXX.—TORONTO STOCK EXCHANGE.

Number of Shares Sold, 1901-1913.

(In thousands.)

	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Assurance (1).....	11	13	6	5	2		29	21	21	20	25	35	28
Banks.....	50	63	39	35	51						174	307	190
Industrials.....	43	339	135	114	100		33	34	252	122			
Land, Loan, Mortgage & Savings.....	46	58	41	32	28		35	64	40	25	34	29	29
Light & Power (2).....	13	13	8	18	20		19	60	29	16	22	12	96
Mining.....	39	170	97	45	56		35	7	44	49	5	2	1
Mining, Par Value \$5 or less (3).....	1,349	543	97	25	96		13	159	710	348	206	191	252
Navigation.....	13	37	31	9	19		4	7	13	3	20	10	10
Rails.....	146	580	414	103	76		5	18	19	14	14	11	13
Street Railways.....	176	326	196	109	183		162	175	234	298	341	501	371
Telegraph, Telephone & Cable.....	23	21	13	65	123		87	64	64	44	27	39	23
Trust Companies (4).....	3	1	1									1	1
"Rights".....		9	5	15	13		13	3	16	1	46	40	12
Totals (4).....	1,912	2,173	1,083	575	767	742	435	612	1,442	940	914	1,178	936

(1)—Total sales for each of the years omitted were less than five hundred.

(2)—"Lighting" only, from 1901 to 1905 inclusive.

(3)—From 1901-1907 inclusive, quotations represent number of shares of Par Value \$1.00 or less.

(4)—These correspond, to the nearest thousand, with the totals in the table on page 3.

NOTE B.—INDUSTRIAL MERGERS AND OVER-CAPITALIZATION.

Towards the close of the decade 1900-1910 a tendency to form amalgamations became marked among industrial enterprises in Canada. The tendency reached the proportions of a movement more or less general in 1909-1910; but it later almost completely subsided. Unfavourable comment, however, was occasioned from the standpoint of its effect on prices and the cost of living. The objections put forward were, chiefly, (1) that the merger tends to eliminate competition and thus to secure a position where it can dictate prices, and (2) that it is frequently over-capitalized and thus necessitates large earnings (higher prices) in order to pay dividends. The last objection, of course, was not put forward as peculiar, companies resulting from amalgamation.

No official statistics with regard to the formation of mergers and the over-capitalization of companies exist, but the subject has been investigated by Mr. F. W. Field, and Mr. A. E. Jennings of the *Monetary Times* for the years 1909, 1910, 1911 and 1912 during which the rise and subsidence of the movement as above stated took place.

Between January, 1909, and January, 1903, according to the *Monetary Times*, 56 industrial mergers were formed in Canada. These absorbed 248 individual companies. The aggregate capital of the mergers, including bonds, was \$456,938,266. The aggregate capital of 206 of the individual companies was \$167,289,182,—say \$200,000,000 for the entire list of 248. Forty issues of securities were made to the public as a result of these amalgamations totalling \$57,346,366. With 16 of these valued at \$16,500,000, an aggregate bonus of \$6,750,000 was given.

Allowing for the fact that these figures represent authorized and not paid-up capital, and allowing for requirements for extensions, new factories, reorganizations, etc., Mr. Field thinks one may safely conclude that a proportion of the securities issued by the mergers generally in Canada was watered stock.

Among the objects and advantages to be gained by consolidation, the following were cited by promoters in reply to the inquiry of the *Monetary Times*:

- Standardization of brands.
- Elimination of needless competition.
- Obtaining of further working capital.
- Prevention of increase in prices to the public.
- Ability to keep pace with growing market demands.
- Elimination of freight charges.
- Concentration of executive force.
- Economies in the purchasing, manufacturing and selling departments.
- Opening of branches of the one company in various parts of the country.
- Specialization of various plants, dispensing with unnecessary duplication of output and patterns.

The outstanding feature of the merger movement in Canada as above developed was its lack of success. Of the 56 amalgamations just mentioned several met complete failure, several were saved only by drastic reorganizations, and several had to defer dividends on bonds and stock issues. Profits estimated on the "savings" above enumerated in many cases did not materialize. Consolidation in itself, it was found, by no means guarantees economies or larger profits as compared with the operation of individual plants. Many unexpected difficulties cropped up, in the process of welding individual plants together. The question of

§Mr. F. W. Hirst (*The Stock Exchange*, 227) deals with this point as follows:—

"The promoter who is consolidating competitive interests into a trust or association may appeal for support on various grounds:—

- "1. Competition will be eliminated and so prices can be raised and controlled. In times of depression prices can be maintained by curtailing output and closing factories.
- "2. A centralised management can effect the economies that belong to large operations. Superfluous persons can be dismissed regardless of local claims.
- "3. The size of the concern should enable it to get very favourable terms from railways and from producers. A large buyer can afford also to deal sternly with small customers who seek to cancel orders or "readjust contracts" when trade becomes bad.
- "4. A large combination is in a better position to resist the demands of organized labour.

"All these propositions are plausible, but all contain a mixture of truth and error."

management was found to be have increased in difficulty. The movement, in brief, is dismissed by the *Monetary Times* as "a short craze followed by a long list of failures and reorganizations and consequent disappointment to investors." The failure removes the necessity of analyzing results comprehensively from a price standpoint, however necessary this may be in the case of the mergers which proved exceptions to the rule. Speaking broadly the promoters alone were conspicuous in making "easy money" by the Canadian merger movement, and "the experience of the past few years will probably prevent any such financial carnival while the memories of investors are green."*

Over-Capitalization.

As to the relation of over-capitalization to prices, Mr. Field has kindly supplied the following statement based on observations made during the enquiry above mentioned:

"The factor of 'over-capitalization' or 'watered' stock enters into the discussion of joint stock companies generally.

"According to a compilation made from the federal and provincial official gazettes, there were incorporated in Canada in the calendar year 1912, 4,651 new companies with total authorized capitalization of \$1,245,927,701, and in 1913, 4,178 new companies with total authorized capitalization of \$992,943,949. These figures of capitalization may mean anything, as here again enters the difficulty of knowing how much of this authorized capital has been issued and paid up. To ascertain the extent of watered stock, if any, would entail an expert examination of the financing, assets, and general position of the companies individually, —an herculean task.

"It seems a fair assertion that unless a corporation has a monopoly or unless there is a price agreement between several corporations, prices to the consumer cannot be regulated to a high level with any success.

"A close analysis shows that it is not the consumer of the commodity sold who suffers from over-capitalization but the investor in the company's watered stock. The bonus of common stock, the manipulation of its price in the stock market, the roseate estimates of profits, may be financial sins, but they affect chiefly the promoters, the investors and their funds. Mere 'over-capitalization' of a company would have little effect on prices, unless in some way the over-capitalization assisted the company to become a complete monopoly, which is unlikely.

"In Canada the word 'over-capitalization' has been often used in relation to industries whose capital has been determined by their probable earning power rather than by their assets. The estimated income of the company—particularly if the merger is under the auspices of ambitious brokerage firms—has frequently been the basis of the capital. A business which is thought to be able to earn \$100,000 net per annum, is said to be able to pay dividends on a \$1,000,000 capital when the rate of interest on other investments involving similar risks is 10 per cent. So the company is capitalized at \$1,000,000 with little reference to the tangible assets. But even this method of computing capital scarcely affects the consumer. In the example above taken, assume the assets to be worth \$600,000. The paying of \$1,000,000 capital into the treasury of the company does no harm if all other operations are honestly and capably managed. For there will be \$400,000 cash assets then belonging to the company in addition to the other assets, whether fixed or circulating, which have been purchased to the amount of \$600,000. Legitimate income can be earned on the \$400,000 as well as on the \$600,000, assuming that the number of workmen, or working units, are increased in proportion to the capital, or if the capital is suitably reinvested until actually required by the proper expansion of the business.

*Mr. Field in pointing out that a merger can dictate prices only when it has secured a monopoly writes: "The experiences of recent years in Canada have proved that it is not by any means an easy matter to eliminate all competition. The industrial amalgamations which can claim truly to have a monopoly in Canada are comparatively few. There are several limitations to the freedom of monopolies, such as, for instance, the power which consumers possess of substituting other goods for those monopolized; the danger of monopoly exciting new competition; and the decreasing sales that frequently accompany increasing prices. These help to confine the profit of many monopolies within fixed limits. Some industries are natural monopolies and others may exist because of defects in the law. The contention is often made that the charges exacted and the services rendered by natural monopolies should be controlled by the Government and that monopolies created by defective laws should be attacked through such laws revised. Another contention is that in every industry in which free competition is permitted by the Government, the Government should enforce fair competition. The prices of many commodities are undoubtedly affected by monopolies in basic materials, and it would seem that it is in this direction that the high cost of living can in any well defined way be ascribed to joint stock companies, whether 'overcapitalized' or not.

"But even if, through dishonest promotion methods, excessive amounts are paid for tangible assets, for patents, good-will or promotion services, and the shareholders receive for their \$1,000,000 only \$600,000 assets, with little or none of the \$400,000 cash left in the company's treasury,—even then the company cannot be said to have been 'over-capitalized'. It has simply been 'milked'—in plain words, robbed.

"The above example assumed the actual payment of \$1,000,000 capital into the company by the shareholders. It supposed that stock has been issued at, say par value (100) to the extent of 10,000 shares. Had this same company possessed or purchased assets with an actual value of \$600,000, and had it issued 6,000 \$100 preferred shares and 4,000 \$100 common shares; and had two shares of common stock been given away with every three shares of preferred stock sold,—the company would still have \$1,000,000 nominal capital, but would be liable in no way to suspicion of over-capitalization, because only \$600,000 would be paid capital, the \$400,000 common stock being of no present value. The issuance of common stock having no present value is not in itself an act of wrong-doing. The common stock merely represents an agreement between the shareholders and the promoters that the shareholders will share in any future increased earnings of the company—the foundations for which were laid by their paid capital contributions—in proportion to their holding of the common stock. So long as it is recognized that such common stock simply represents 'future hopes', and had no present value (though some persons with betting proclivities might be willing to buy it as a speculation), the common stock is harmless. Moreover, it is a method of making proper adjustments that is frequently invaluable to the most honest financiers. But in the hands of dishonest persons, common stock is frequently a dangerous tool. Through the medium of stock exchanges, wash sales, publicity campaigns and misrepresentations, the common stock is raised to an unwarranted 'price' and foisted upon investors.

"In issuing common stock as a bonus or otherwise, as in securing more capital than is represented by the assets possessed, no wrong is necessarily done. In both cases the wrong may be created later by dishonest financial methods. The regulation of these dishonest methods is another matter.

"To return to the main theme—the effect of over-capitalization on prices of commodities: The manager who is left in charge of the destinies of a 'milked' company will likely find difficulties in earning dividends on his paper capital. If his company were 'over-capitalized' but not robbed, probably he would have no such difficulties. But the manager who must earn \$100,000 dividends with \$600,000 assets, when he should have \$1,000,000 assets to earn dividends of that amount, is in trouble. The popular theory is that he sails smoothly out of the troubled waters simply by raising the prices at which he sells his factory's product—thus increasing the High Cost of Living. But he cannot solve the problem so readily. The experience of many of Canada's industrial mergers of recent years proves that he cannot. Assuming that the 'over-capitalization' firm is not a monopoly, he cannot raise prices much, because his competitors would undersell him and he would soon have to meet their prices again, or give greater value in quality for the increased prices he asks, or 'reorganize' his merger. The 'over-capitalization' is not likely to make his firm a monopoly unless it has supplied him with so much surplus cash that he can crush competition. This is not only likely to be prevented by law, but competition, in Canada at least, has been hard to crush. No sooner does the field seem barren of competition than a dangerous new rival arises to take advantage of the apparent opportunity.

"Over-capitalization seems therefore to create burdens for the investor as such (a problem outside the scope of the present inquiry), not affecting the prices to the consumer."

A statement by Mr. David S. Kerr, Lecturer on Higher Accountancy, McGill University, follows:

"Watered stock is the proportion of the capitalization of the company which is not represented by bona fide assets. For instance a piece of land is worth \$50,000. A corporation gives \$100,000 of its capital stock for this land. There is then watered stock to the extent of \$50,000 in the capitalization of the company. A company buys the businesses of three concerns for purposes of consolidation, a fair and reasonable value of the assets, business and goodwill of these concerns being \$1,000,000. If the new company gives capital stock of the par value of \$2,000,000 for these, then there is \$1,000,000 of watered stock.

"As under the Companies' Act, it is provided that no watered stock be issued and as frequently it is admitted that the capitalization of certain corporations is 'watered', the conclusion is that the intent of the law has not been complied with, although nominally the law has been complied with. This is usually accomplished by means of con-

tracts which provide for the transfer of businesses or assets in exchange for securities (bonds, preferred stock, common stock) of the corporation acquiring the assets of a total par value far in excess of actual values. Thus the transaction is 'legalized'. But from a practical standpoint, there is no difference between this method of issuing securities and the issuing of stock at a discount, which would not be permitted.

"Economies in management by way of reducing the cost of production, due to efficiency, centralization, standardization, saving in freight, etc., certainly have nothing to do with the question of capitalization. These matters are surely ordinary business considerations. Any concern willing to pay fair remuneration can produce the best available general manager and others to operate its undertaking. Good management obtains in many plants, whether capitalized on an inflated basis or not. Any other situation is bad management pure and simple, and has nothing to do with capitalization.

"The mere fact that a corporation is over-capitalized, will not, of itself, mean increased profits. *If for every dollar of watered stock included in the capitalization there were additional profits in respect thereof, what sane person would fail to adopt the policy of watering stocks?* It is too evident that it does not increase the earnings to the extent of one dollar, and therefore reflects no increase in the cost to consumer.

"Take the case of a reconstruction where the new capitalization does not include any watered stock as did the old. Does this mean that the future profits are reduced? Certainly not.

"Watered stock is an objectionable element in the capitalization of corporations. It does not, however, in any way affect the cost of living.

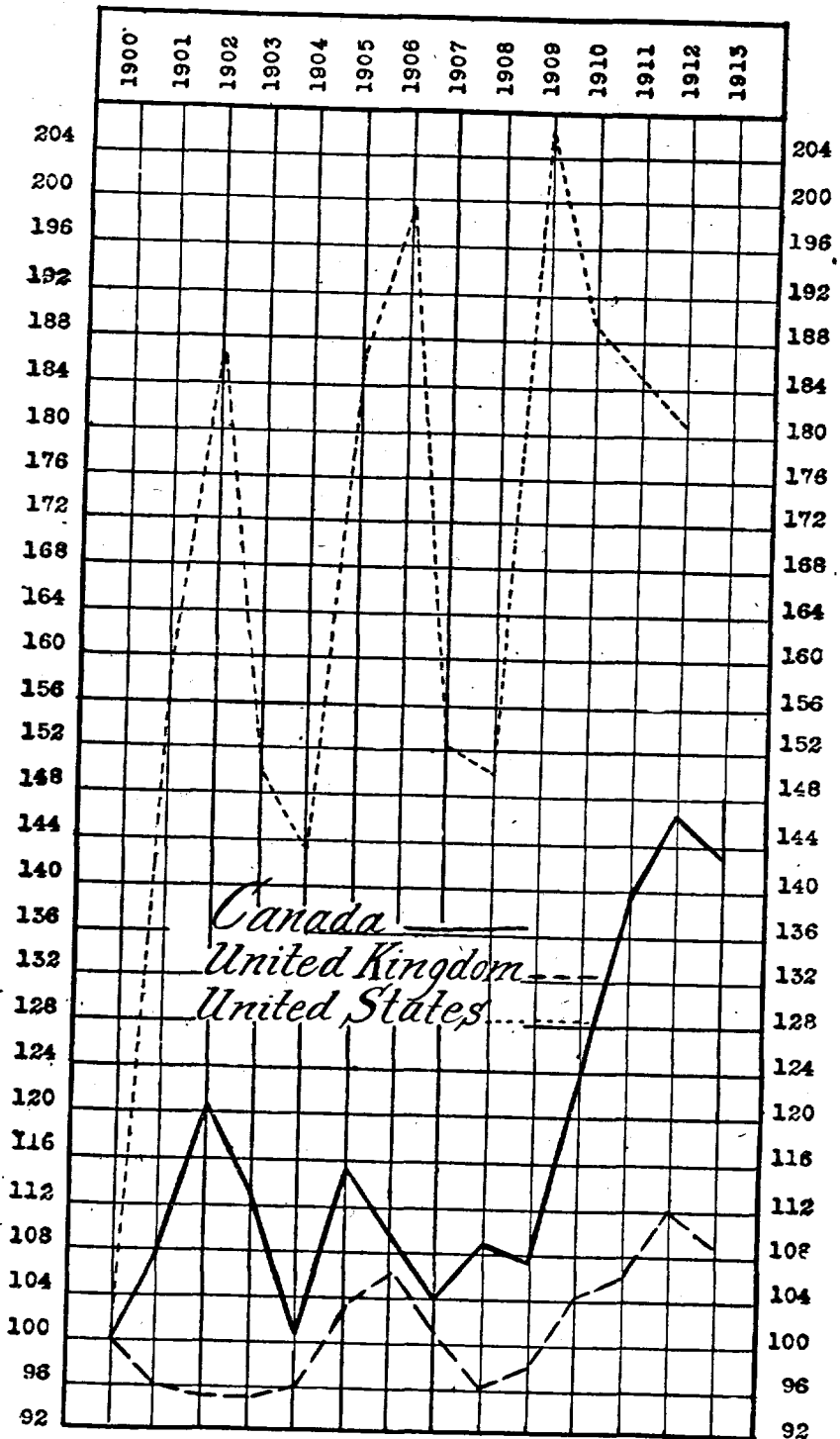
"The question now arises, is it feasible to legislate so that the Government can pass upon the capitalization of corporations? Might this not be construed as a Government approval of the soundness and reasonableness of such capitalizations? This would appear to be the natural impression. Further, why should the Government have any say as to the detail of capitalizations? The concern of the Government must surely be confined to insisting upon all published balance sheets of corporations showing clearly and separately what amount, if any, of the capitalization is represented by intangible assets such as Goodwill, Patent Rights, Franchises, Organization, and such like, and upon what basis the amount has been arrived at. If this be provided for by new legislation, it will be a great advantage to both stockholders and public, who could then form a better judgment as to the relative values of the securities, and in addition the Government would then be able to prepare intelligent reports regarding the finances of the various industries in the Dominion."

(See *Company Capitalization Control*, a Report upon Existing Legislation in Canada, and Elsewhere, by Thomas Mulvey, Under Secretary of State, Canada, 1913.)

DEPARTMENT OF LABOUR EXHIBIT

PRICES OF COMMON STOCKS IN CANADA, THE UNITED KINGDOM AND THE UNITED STATES, 1900 - 1913.

(Prices in 1900 = 100.)



CHAPTER III.—SECURITY PRICES IN THE UNITED KINGDOM AND IN THE UNITED STATES, 1900-1913.

In the present chapter are presented comparative statistics on the course of security prices in the United Kingdom and the United States, the markets by which Canadian conditions are chiefly influenced.

I. Security Prices in the United Kingdom, 1900-1913.

To illustrate the trend of security prices in the United Kingdom the records of the *Bankers' Magazine* (London) are here employed. The record shows the aggregate market values from month to month of various groups of stock. The basis of the record, unfortunately has been changed once during the period under review. From 1900 to 1906, the figures represented in all 325 stocks. The list was changed in January, 1907, and 387 securities quoted thereafter. For the present purpose it is assumed that fluctuations in the latter group were the same as in the former during the period of 1900-06.*

*The method employed may be illustrated by reference to one group, British Railroad Ordinary. The average total value of 19 securities in this group in 1900, in millions, was £305. Their value in December, 1906, was 247, a decline of 19 per cent. The value in December, 1906, of the new group of 26 securities was £304. Assuming that the decline in the 26 securities corresponded with that which took place in the 19 securities, their value in 1900 would have been £375. The actual average values of the 19 securities from 1900 to 1906 and their index numbers are as follows:—

1900.....	£305.....	100
1901.....	£276.....	90
1902.....	£271.....	89
1903.....	£261.....	84
1904.....	£252.....	83
1905.....	£259.....	85
1906.....	£251.....	82

The actual average value of the new group for the remaining years, together with their values expressed in percentages of the estimated value for 1900, viz: £375, are:—

1907.....	£286.....	76
1908.....	£279.....	74
1909.....	£278.....	74
1910.....	£284.....	76
1911.....	£297.....	79
1912.....	£284.....	76
1913.....	£277.....	74

As it was desired to make the comparative figures for the United Kingdom as representative as possible of the same classes of securities as those included in the Canadian list, and of British industrial rather than foreign or colonial investments, the list of 387 securities was considerably reduced, the following being a statement of the stocks finally included with their aggregate values in December, 1906:§

26 British Rails, Ordinary	£303,785,000
14 British Banks	183,192,000
18 Breweries	20,802,000
4 Canals and Docks	5,282,000
38 Com. Industrial	82,127,000
11 Financial Land and Investment	24,891,000
5 Gas	34,474,000
8 Iron, Coal and Steel	26,948,000
7 Shipping	8,495,000
4 Telegraph and Telephone	10,933,000
7 Tramways and Omnibus	5,386,000
142	<u>£706,315,000</u>

The Final Result.—The accompanying table of index numbers and the chart on page 690 give the final result. On the whole, it will be seen, stock prices in the two countries have moved in the same general direction. An exception occurred in 1901-02 when Canadian Stocks advanced and British Stocks receded. The Canadian advance, however, was soon lost, and 1904 saw both groups about the same as in 1900. Since 1904 there has been no disparity in general direction as between the two. The Canadian fluctuations, however, have been much wider and their advance since 1908 has been at the very least twice as rapid as the similar movement in Great Britain.§

§The securities omitted were as follows:—

- 9 British and Indian Funds
- 7 Corporation Stocks (United Kingdom)
- 11 Colonial Government Stocks.
- 31 Foreign Government Stocks
- 11 British Rail Debentures, Ord.
- 13 British Rail Preference, Ord.
- 5 Indian Railway, Ord.
- 9 Railways in British Possessions
- 17 American Railway shares
- 16 American Railway Bonds (Gold)
- 24 Foreign Railways
- 22 Bank Shares, other than British
- 10 Corporation Stocks
- 21 Insurances
- 15 Mines (chiefly South African)
- 4 Waterworks
- 6 Electric Lighting and Power
- 6 Copper Mining Shares
- 8 Miscellaneous Mining Shares

245

Electric Lighting and Power securities were not included as the quotations date from 1907 only.

§The comparatively large number of securities included in the British index number may in part account for its conservative tendency.

INDEX NUMBERS OF BRITISH SECURITIES, 1900-1913.

Prices 1900=100.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Br. Rails, Ord.....	100	90	89	84	83	85	82	76	74	74	76	79	76	74
British Banks.....	100	99	99	95	93	90	90	88	88	87	87	86	84	85
Breweries.....	100	96	99	96	93	90	74	65	62	68	73	70	66	65
Canals and Docks.....	100	103	111	118	123	128	129	123	119	122	128	132	127	120
Com. Industrial.....	100	100	95	95	93	95	95	103	101	102	124	124	113	105
Finan. Land and Inv.....	100	96	107	121	135	167	215	200	189	204	221	222	229	226
Gas.....	100	102	103	101	104	109	109	99	100	104	105	106	105	100
Coal, Iron and Steel.....	100	87	81	74	71	83	88	87	77	81	79	75	76	75
Shipping.....	100	103	104	100	97	102	103	99	91	89	92	102	167	179
Telegraph and Telephone.....	100	92	86	84	89	100	104	100	100	100	104	106	106	95
Tramway and Omnibus.....	100	85	75	73	76	80	75	72	58	50	50	61	81	78
All.....	100	96	95	95	96	103	106	101	96	98	104	106	112	109

The following tables give the basic data of the investigation:

AGGREGATE VALUES OF COMMON STOCKS, UNITED KINGDOM, 1900-1913.

Quotations from the *Bankers' Magazine*.

Railroad, Ordinary.

1900-1906, 19 SECURITIES, PAR VALUE £213,007,000

1907-1913, 26 SECURITIES, PAR VALUE £312,750,000

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	328	292	276	271	252	259	265	309	293	280	280	294	290	283
February.....	324	291	283	271	244	262	260	298	285	279	282	303	288	283
March.....	321	283	272	268	240	265	256	290	278	273	283	302	287	278
April.....	318	281	274	267	254	260	255	293	281	282	284	314	290	283
May.....	313	283	277	265	261	257	252	288	279	284	287	309	285	285
June.....	311	277	281	265	257			284	284	280	286	305	282	274
July.....						253	251	287	276	281	286	304	279	278
August.....	285	272	270	261	247	251	254	273	272	285	282	289	283	278
September.....	289	268	263	255	250	256	247	276	276	278	281	280	285	273
October.....	288	264	260	255	257	257	229	272	276	273	286	285	278	270
November.....	295	266	268	250	254	266	248	283	278	270	283	288	283	268
December.....	290	266	267	246	256	262	247	288	275	277	288	293	281	272
Average.....	305	276	271	261	252	259	251	286	279	278	284	297	284	277
Index Number....	100	90	89	84	83	85	82	76	74	74	76	79	76	74

DEPARTMENT OF LABOUR EXHIBIT

Bank Shares.

1900-1906, 10 SECURITIES, PAR VALUE £

1907-1913, 14 SECURITIES, PAR VALUE £29,338,000

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	492	488	484	487	464	448	450	1860	1821	1820	1837	1798	1763	1771
February....	482	478	476	475	446	440	441	1830	1808	1809	1803	1780	1739	1752
March.....	487	479	476	475	441	436	440	1817	1802	1802	1802	1777	1736	1738
April.....	484	481	481	480	462	450	440	1821	1797	1805	1798	1785	1753	1753
May.....	490	486	481	481	456	447	442	1818	1803	1810	1792	1790	1751	1764
June.....	491	490	485	484	456	.....	.....	1811	1824	1815	1799	1790	1755	1759
July.....	.....	.....	.....	.....	.....	442	437	1830	1820	1805	1799	1784	1759	1762
August.....	483	477	470	469	442	440	434	1799	1807	1793	1776	1754	1737	1757
September..	481	482	475	469	440	439	435	1796	1804	1796	1777	1754	1744	1756
October....	480	483	482	464	456	450	433	1812	1806	1793	1782	1736	1735	1751
November..	486	484	484	462	448	449	431	1798	1824	1796	1774	1743	1732	1769
December..	490	480	485	469	453	450	432	1801	1831	1804	1775	1752	1746	1781
Average....	486	482	479	474	451	438	437	1816	1812	1804	1793	1770	1744	1759
Index Number....	100	99	99	98	93	90	90	88	88	87	87	86	84	85

- Breweries.

1900-1906, 18 SECURITIES, PAR VALUE £4,529,000

1907-1913, 18 SECURITIES, PAR VALUE £15,900,000

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	122	113	118	116	113	111	97	209	176	191	203	207	191	183
February....	125	114	120	116	111	109	92	194	183	191	205	216	192	187
March.....	122	111	119	114	107	105	84	186	171	187	206	206	185	178
April.....	122	112	119	114	110	103	87	186	171	193	225	202	188	177
May.....	118	111	119	114	112	100	83	185	170	192	213	205	190	185
June.....	122	112	119	113	111	.....	.....	181	168	206	213	206	191	184
July.....	.....	.....	.....	.....	.....	105	88	184	167	204	210	204	189	181
August.....	117	114	116	114	110	103	92	186	174	197	209	197	187	189
September..	117	114	115	112	109	109	85	184	185	196	217	189	192	189
October....	116	114	114	113	109	108	86	183	187	198	212	190	192	193
November..	110	114	114	112	110	109	83	179	184	196	210	189	187	190
December..	114	114	114	113	110	104	86	178	188	195	207	185	185	189
Average....	118	113	117	123	110	106	87	186	177	195	210	199	189	186
Index Number....	100	96	99	96	93	90	74	65	62	68	73	70	66	65

Canals and Docks.

1900-1906, 6 SECURITIES, PAR VALUE £20,716,000

1907-1913, 4 SECURITIES, PAR VALUE £ 9,000,000

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	656	658	683	753	777	824	821	547	478	496	527	540	527	506
February....	634	659	704	749	759	829	826	536	521	493	528	556	533	502
March.....	641	662	715	747	764	821	836	523	483	493	521	545	526	492
April.....	642	662	720	759	789	813	835	516	495	498	521	547	527	494
May.....	641	662	721	771	802	829	838	500	487	501	521	548	528	495
June.....	656	662	726	779	802	.....	.....	487	496	501	525	546	522	499
July.....	.....	.....	.....	.....	.....	833	835	500	476	501	524	541	518	496
August.....	638	669	748	779	793	833	841	498	473	501	522	537	513	498
September..	639	674	743	775	800	849	827	490	476	501	521	532	509	497
October.....	658	677	749	771	808	843	843	489	477	506	522	528	509	493
November...	659	676	748	768	820	833	838	481	484	506	522	529	508	494
December...	667	682	758	774	815	817	836	479	491	501	522	529	508	494
Average....	648	668	729	766	794	829	834	504	486	500	523	540	519	489
Index Number....	100	103	111	118	123	128	129	123	119	122	128	132	127	120

Commercial, Industrial, Etc.

1900-1906, 15 SECURITIES, PAR VALUE £9,944,000

1907-1913, 38 SECURITIES, PAR VALUE £36,701,000

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January....	360	385	358	354	349	347	352	855	863	799	896	1040	962	886
February....	372	395	358	357	347	347	353	855	840	816	939	1026	949	873
March.....	378	402	357	357	346	351	350	848	843	809	958	1042	952	862
April.....	376	390	362	360	347	351	352	843	840	817	1037	1050	956	872
May.....	376	381	364	369	347	351	353	835	837	825	1022	1043	949	906
June.....	390	369	364	364	347	.....	.....	852	836	834	1022	1036	887	867
July.....	.....	.....	.....	.....	.....	353	349	859	827	828	1064	1020	904	870
August.....	374	361	355	355	344	354	352	836	826	844	1106	1005	928	869
September..	372	367	356	355	346	364	351	793	828	861	1082	980	946	865
October....	371	355	351	354	344	374	354	828	825	859	1075	1002	936	857
November...	376	352	352	353	343	363	365	848	815	880	1042	999	902	840
December...	377	351	351	349	343	362	376	846	806	878	1012	955	883	813
Average....	374	373	357	357	346	356	355	842	832	838	1021	1017	930	865
Index Number....	100	100	95	95	93	95	95	103	101	102	124	124	113	105

DEPARTMENT OF LABOUR EXHIBIT

Financial, Land, and Investment.

1900-1906, 8 SECURITIES, PAR VALUE £6,167,000

1907-1913, 11 SECURITIES, PAR VALUE £7,120,000

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	777	759	760	883	984	1151	1480	2426	1746	1913	2212	2281	2143	2313
February.....	773	749	782	933	976	1070	1539	2384	1789	2000	2238	2268	2196	2289
March.....	782	735	782	909	979	1308	1597	2253	1798	1976	2216	2342	2316	2279
April.....	794	731	812	904	1015	1224	1615	2191	1816	2074	2336	2371	2442	2297
May.....	793	719	814	914	1020	1251	1514	2086	1986	2114	2289	2340	2430	2298
June.....	797	719	825	894	1021	.....	.....	1975	2043	2052	2272	2335	2315	2275
July.....	.....	.....	.....	.....	.....	1248	1554	2052	1981	2027	2236	2275	2305	2295
August.....	751	726	870	924	1010	1311	1599	1911	1979	2067	2169	2199	2326	2303
September...	749	730	860	961	1014	1339	1668	1937	2025	2110	2194	2130	2370	2306
October.....	758	741	855	953	1114	1351	1812	1822	2029	2160	2187	2131	2320	2259
November...	754	754	834	959	1154	1442	1972	1738	1917	2176	2261	2143	2312	2269
December...	760	754	872	1012	1178	1457	1899	1715	1915	2155	2248	2119	2304	2268
Average....	772	738	824	931	1042	1287	1659	2041	1917	2069	2238	2245	2315	2288
Index Number....	100	96	107	121	135	167	215	200	189	204	221	222	229	226

II. Security Prices in the United States, 1890-1912.

In pursuance of an investigation into the relation of prices to business prosperity, Professor Wesley C. Mitchell has constructed an index number of American Stock Prices back to 1890.* The quotations are from the Annual Publication of the *Financial Review*. Both common and preferred stocks are included, the former being limited to railway stocks and to those of express, steamship, and telegraph companies—40 in all. The index number for common stocks follows:

TABLE XXXIII.—RELATIVE PRICES OF 40 TRANSPORTATION STOCKS, BY YEARS, 1890-1912.

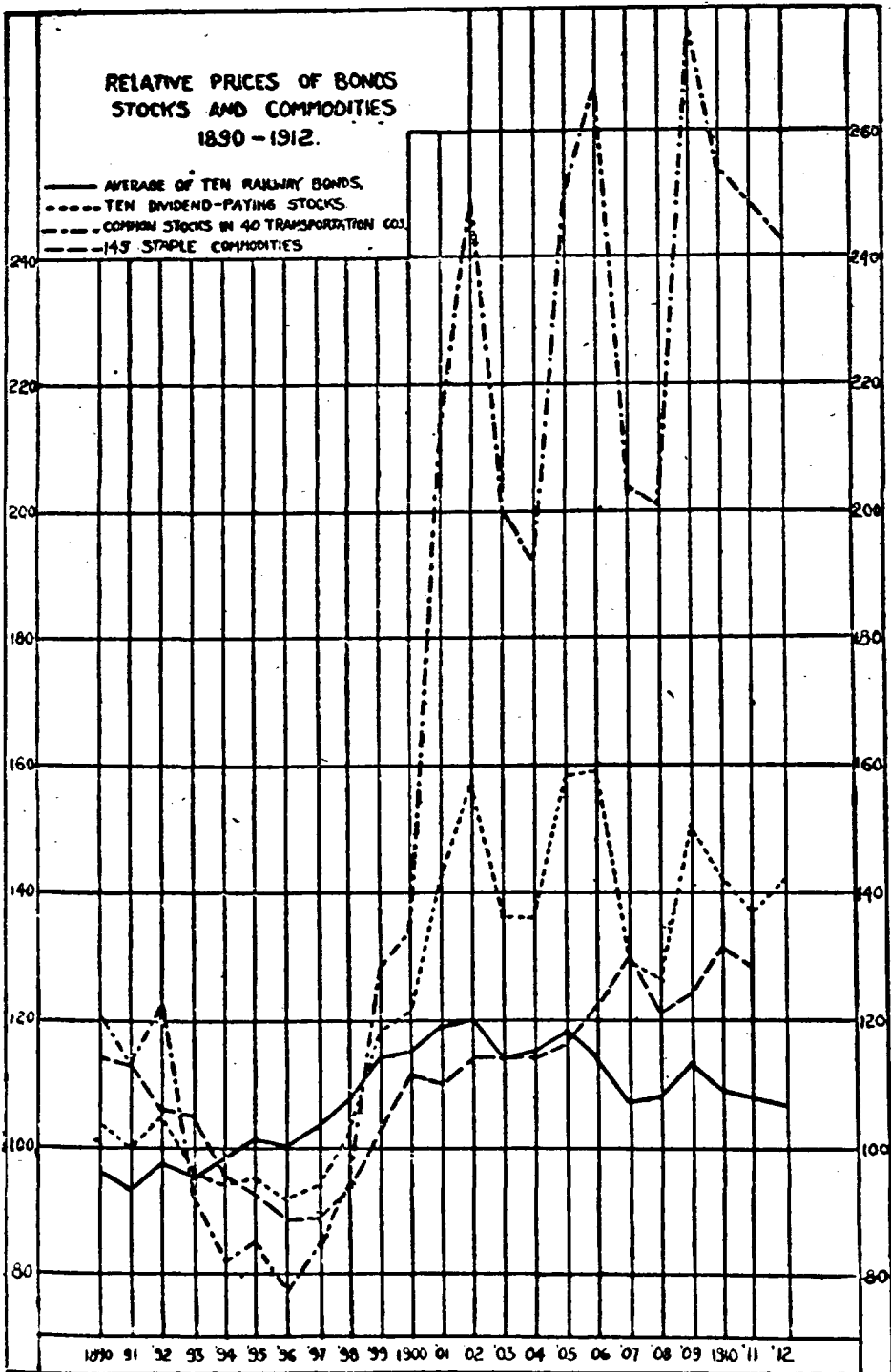
Average Prices of 1900 = 100.

Year.	Average.	Year.	Average.
1890.....	90.2	1902.....	186.6
1891.....	84.3	1903.....	150.0
1892.....	91.8	1904.....	143.3
1893.....	69.4	1905.....	186.6
1894.....	61.2	1906.....	199.2
1895.....	63.4	1907.....	152.2
1896.....	57.5	1908.....	150.0
1897.....	62.7	1909.....	206.7
1898.....	70.1	1910.....	189.5
1899.....	95.5	1911.....	185.1
1900.....	100.0	1912.....	181.3
1901.....	157.5		

**Business Cycles*, by Wesley Clair Mitchell, University of California Press, 1913. See also his articles on Security Prices & Interest in the *Journal of Political Economy*, May 1910, July 1910, April 1911 and June 1913. Professor Mitchell refers to the previous number of John R. Commons and N. T. Stone, ending with 1901, as the "one true index number of American stocks."

PRICES OF SECURITIES IN THE UNITED STATES, 1890-1912.

Prices 1890-1899=100.



Examining into the causes of the trend of prices Professor Mitchell finds that stocks have followed in general a course intermediate between that of dividends and net incomes. "That is, stock prices have been determined largely by the discounting of anticipated dividends, and the anticipations of future dividends have been affected by net income hardly less than by present dividends. But the results have been modified by other factors—such as changes in the rate of discount, alternations of pessimism and optimism in judging a future always uncertain, the varying importance of the investment factor as compared with speculation or sacrifice sales, the occurrence of unforeseen events, etc."

General Trend of the Market.—American stocks declined in 1890 and 1891, and after a slight recovery early in 1892, continued to sag in 1893, especially after the sharp panic of May. No material recovery occurred during the year 1894, but some advances were recorded in 1895. The Venezuela war scare, however, in December of that year reduced stocks to as low a point as in 1893. A still lower point was reached in August, 1896, at the height of the Free Silver Presidency Campaign. There was an advance on the defeat of Free Silver, but it was not until mid-summer, 1897, that the gain became pronounced. The Spanish war at first caused a relapse, but subsequently a boom developed which carried prices higher than in several years. In April, 1900, stocks were again on a level with 1890. This was the prelude to an outburst of speculation which in a few months carried prices to an unprecedented height. The period of severe liquidation known as the "rich man's panic" began in the autumn of 1902 under which most of the great gains of 1901 were lost. Another forward movement, however, began in 1904, culminating with very high prices in 1905. After a relapse, a still higher record was established in 1906. In March, 1907 set in a decline which, followed by panic in the autumn saw prices down lower than at any time since 1900, though still above the highest of 1890-1899. Recovery from the prices of 1907, however, was prompt and by the end of 1909 the highest record, that for January, 1906, had been eclipsed. Depression returned, in 1910, and lasted through 1911. A second period of liquidation occurred in 1912.*

*An analysis of stock market conditions at two recent crucial periods may be quoted from an article by Thomas Gibson of the New York Stock Exchange whose index number of commodity prices has been given in Chapter III of Section (1). Mr. Gibson has prepared a "set of indications" covering the appearances and signs preceding a large advance or decline in security prices, as follows:

Preceding Indications of a Major Decline in Security Prices.

1. High and rising prices of security, accompanied by heavy general business.
2. Extended credit conditions, showing the full or over-employment of money. Also high rates for call and time money.
3. Large net earnings of railroad and industrial corporations, together with increased dividends and extra distributions.
4. A low rate of return on money invested.
5. Large transactions in securities, with public excitement and enthusiasm.
6. Record-breaking bank clearings, both in New York and outside of New York.
7. A wide and active range of security prices with alternate sharp declines and rapid recoveries. This is the final period of manipulation, during which the public is kept interested and insiders are unloading.

Preceding Indications of a Major Advance.

1. Low and usually moderately declining security prices, accompanied by much irregularity in the price movements of specific stocks. General business dull.
2. Sound or easy credit conditions and low rates for call and time funds, indicating much unemployed money.
3. Low net railroad and industrial earnings. Some decreased dividends, receiverships and reorganizations.
4. A high rate of return on money invested.
5. Small transactions in securities. Very little outside speculation.
6. Bank clearings falling in New York and not making much increase outside. The New York clearings reflect the absence of heavy Stock Exchange transactions or new financing. Clearings outside of New York reflect general business activity and should naturally show an increase in volume from year to year.
7. A narrow and irregular stock market, with a considerable period of backing and filling. Public apathetic

Preferred Stocks.—Professor Mitchell's investigation into the course of preferred stocks covered as nearly as possible the stocks of the same companies as for common stocks. Only ten, however, were available, and as the object was to compare preferred with common on exactly the same basis, a new index num-

and traders bearish. Far-sighted interests take all offerings. If the market is in the final stages of liquidation, bad news of any kind has no effect. This is the period of accumulation.

In support of the correctness of the indications set down above, let us examine briefly the movements of prices in 1903-04 and 1907-08.

From 1900 until the latter part of 1902 there was a tremendous advance in security prices with only one serious interruption, which was caused by the Northern Pacific corner in May, 1901. The average prices of securities attained a level never before reached. Bank clearings were record-breaking both in and out of New York, showing heavy financing, speculation and general business. Credit conditions grew very bad in the latter part of the year and money rates were high. Net earnings were very large, dividends were increased, the return on investments was low. Stock Exchange transactions were large and public excitement was at its height. The panic of 1903 followed on the heels of these conditions.

In the early months of 1904 all these appearances were reversed and stocks began an advance which carried them to a new high level.

The period of distribution preceding the decline of 1903 covered the last quarter of 1902 and the period of accumulation covered the second quarter of 1904. The indications may be tabulated for convenient reference as follows:—

Basic Conditions Preceding Decline of 1903 and Advance of 1904.

	Last Quarter, 1902.	Second Quarter, 1904.
Per cent. of loans to deposits (avg.).....	100.16%	94.40%
Per cent. of specie to loans (avg.).....	17.74%	21.85%
Call money (avg.).....	6¼%	1¼%
Time money (avg.).....	6 %	3¼%
Sales on N. Y. Stock Exchange (shares).....	49,205,853	18,468,445
Clearings, New York.....	+7.4%	-12.6%
Clearings outside N. Y.....	+5.6%	-4.3%
Avg. price 20 Rails.....	120	95
Avg. price 12 Industrials.....	63	48
Dividends increased (year).....	21	4
Dividends reduced (year).....	4	11
Railroad receiverships, miles (year).....	278	774
Return on money invested.....	3.75%	5.65%

NOTE.—Credit conditions based on conditions shown by New York Clearing House banks, no other figures being available at regular intervals. It is found, however, that the condition of the Clearing House banks is a good barometer of general banking conditions.

The bank clearings in New York and outside of New York are given in percentage of advance (+) or decline (—) as compared with the preceding year.

Average prices of 20 rails and 12 industrials are the "Wall Street Journal's" averages.

Return on money is based on prices and dividends of 10 leading dividend-paying railroad stocks.

The same notes apply to the table which follows:—

The period notes of distribution preceding the decline of 1907 was apparent in the last quarter of 1906. The period of accumulation covered the first quarter of 1908. Indications were as follows:—

Basic Conditions Preceding Decline of 1907 and Advance of 1908.

	Last Quarter, 1906.	First Quarter, 1908.
Per cent. of loans to deposits (avg.).....	101.60%	98.89%
Per cent. of specie to loans (avg.).....	17.60%	22.35%
Call money (avg.).....	8¼%	1¼%
Time money (avg.).....	7 %	3¼%
Sales on N. Y. Stock Exchange (shares).....	61,751,312	42,373,858
Clearings, New York.....	+5.5%	-28%
Clearings, outside N. Y.....	+9.2%	-15.1%
Avg. price 20 Rails.....	135	90
Avg. price 12 Industrials.....	95	62
Dividends increased (year).....	21	5
Dividends reduced (year).....	3	26
Railroad receiverships, miles (year).....	204	8,099
Return on money invested.....	3.50%	5.95%

"An examination of the exhibits given above shows very distinctly that our last two great declines in security prices began at a time of activity, heavy trading, excellent general business and increased dividends. There were plenty of warning signals, such as credit conditions, money rates and the low return on investments, but in the general excitement the favorable was exploited and the unfavorable ignored. And the reverse of all this was true when the evil conditions were remedied.

"It will be observed that the decline of 1903 amounted to 25 average points in rails and 15 average points in industrials, and the decline of 1907 amounted to 45 points in rails and 33 points in industrials. In this regard I will state that I have not begun calculations either of price changes or appearances at the extreme top or bottom of any movement. It is invariably the case that in a great upward or downward swing prices are carried beyond all reason-

ber for the 10 common was worked out. The two are given as follows:

TABLE XXXIV.—RELATIVE PRICES OF PREFERRED AND COMMON STOCKS IN 10 RAILWAYS:
BY YEARS, 1890-1912.

Prices in 1900=100

Average.			Average.		
	Preferred.	Common.		Preferred.	Common.
1890	81.2	78.5	1902	143.6	211.8
1891	78.2	78.5	1903	122.5	165.3
1892	86.4	86.1	1904	117.3	149.3
1893	65.4	61.8	1905	136.1	193.0
1894	61.6	56.9	1906	135.3	202.0
1895	65.4	60.4	1907	103.7	143.0
1896	63.9	56.2	1908	97.7	135.4
1897	70.7	62.5	1909	127.0	194.4
1898	80.4	67.3	1910	111.3	172.2
1899	97.7	87.5	1911	103.7	161.8
1900	100.0	100.0	1912	92.5	149.3
1901	133.8	181.9			

The general trend of fluctuations in the two types of stocks has been similar though in one or two years the direction has been different. There are, however, notable differences of degree between the two sets of fluctuations. The common stocks started higher, fell lower, and rose higher. The accompanying chart will make this plain.

Bonds.—Professor Mitchell's investigation covers 10 railway bonds, the index number for which follows:

able limits in the final spasms. This is followed by a sharp and immediate reversal of a few points and then the period real distribution or accumulation begins. Attention is therefore properly confined to the stages last mentioned, i. e.: the period of backing and filling at the approximate top or bottom.

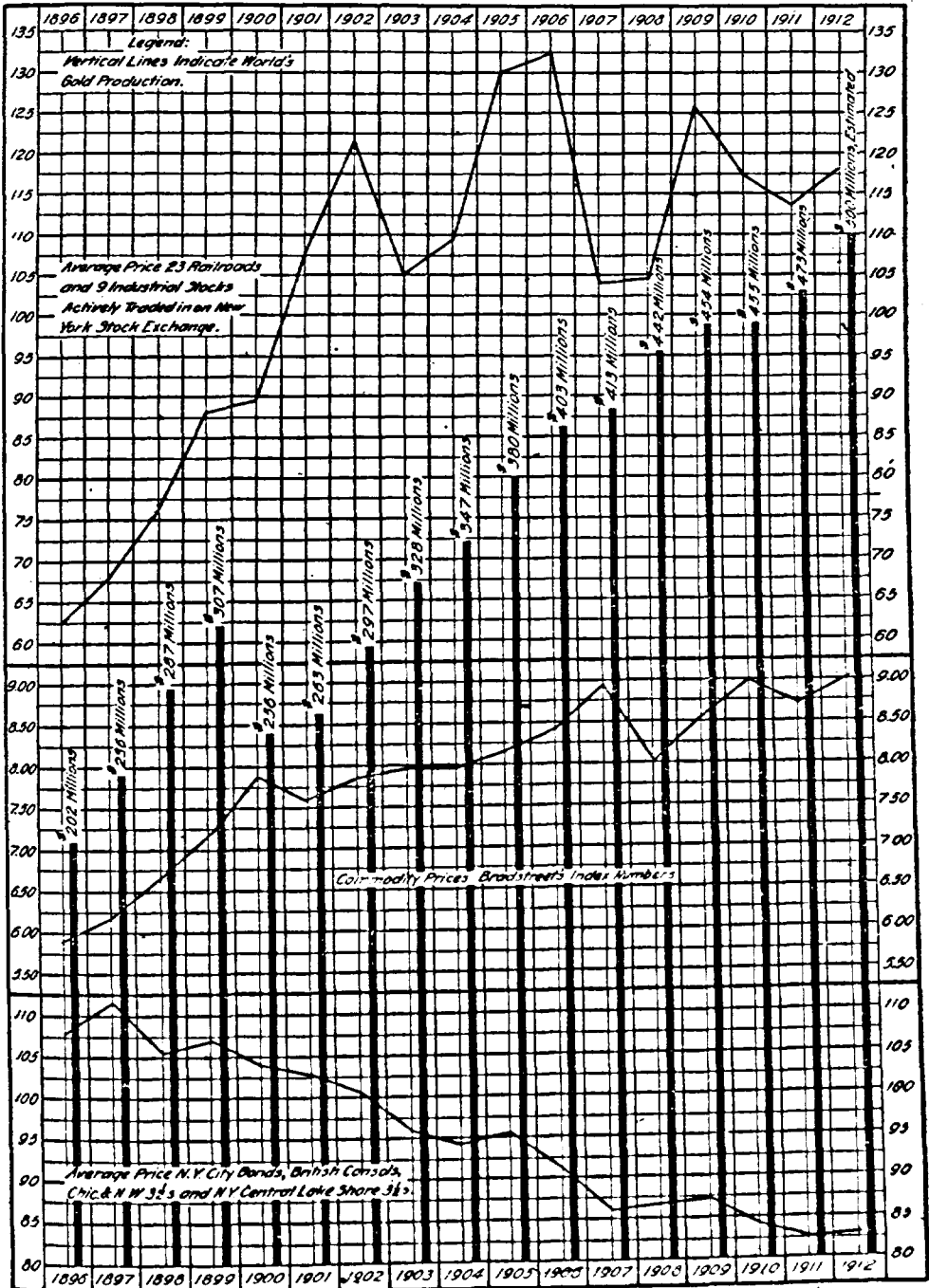
"We have now seen what followed the first set of appearances which attracted the outsiders to their undoing. Now look at the other set and see how plainly the indications point to a recovery. At the end of 1904 the average price of 20 rails was 119, and 12 industrials 70, advances during the year of 24 and 22 points respectively. At the end of 1908 average of 20 rails was 120, and 12 industrials 86, advances of 30 and 24 points respectively. Nor was that the end of the recovery. In December, 1905, rails were 133 and industrials 96. In August, 1909, rails reached 134 and industrials 99.

"It must be admitted, however, that with all these important aids to examination forecasting price movements is not and never will be an exact science. Extraneous influences, which cannot be foreseen, such as wars, politics and crop prospects, sometimes upset or temporarily restrain the workings of basic conditions. It is found, however, that in the past such influences have usually been of minor importance. There is also a tendency to attribute market action to whatever is obvious, regardless of what the real, but submerged causes may be. For example, the so-called "Lawson panic" was due to nothing but a very bad technical situation which would have asserted itself sooner or later if no such man as Lawson had ever existed. The so-called "Roosevelt panic" was due to the easily recognizable credit and money conditions set forth above. The declining prices of the first half of 1913 were popularly accredited to local political affairs. These no doubt played their part, but the liquidation of our securities by foreigners was more important. It is estimated that during the Balkan and other foreign disturbances, we took back from abroad \$400,000,000 of our securities. It is a matter of surprise that we were able to do this without a more serious decline.

"It goes without saying that, so far as the extraneous influences referred to are concerned, all we can do is to watch developments, prospects and probabilities closely from day to day and give them their proper weight and consideration. Crop prospects are the most important of the unknown factors, but we may gather comfort from the fact that crop failures are the exception, not the rule.

"While it is necessary to conduct our investigations along the broadest possible lines and to exercise eternal vigilance in regard to shifting influences, if we permit ourselves to lose sight of what is basic—the real foundation, we make the vital error of eliminating from our calculations the most important equations."

PRICES OF STOCKS, BONDS AND COMMODITIES IN UNITED STATES, 1896=1902)



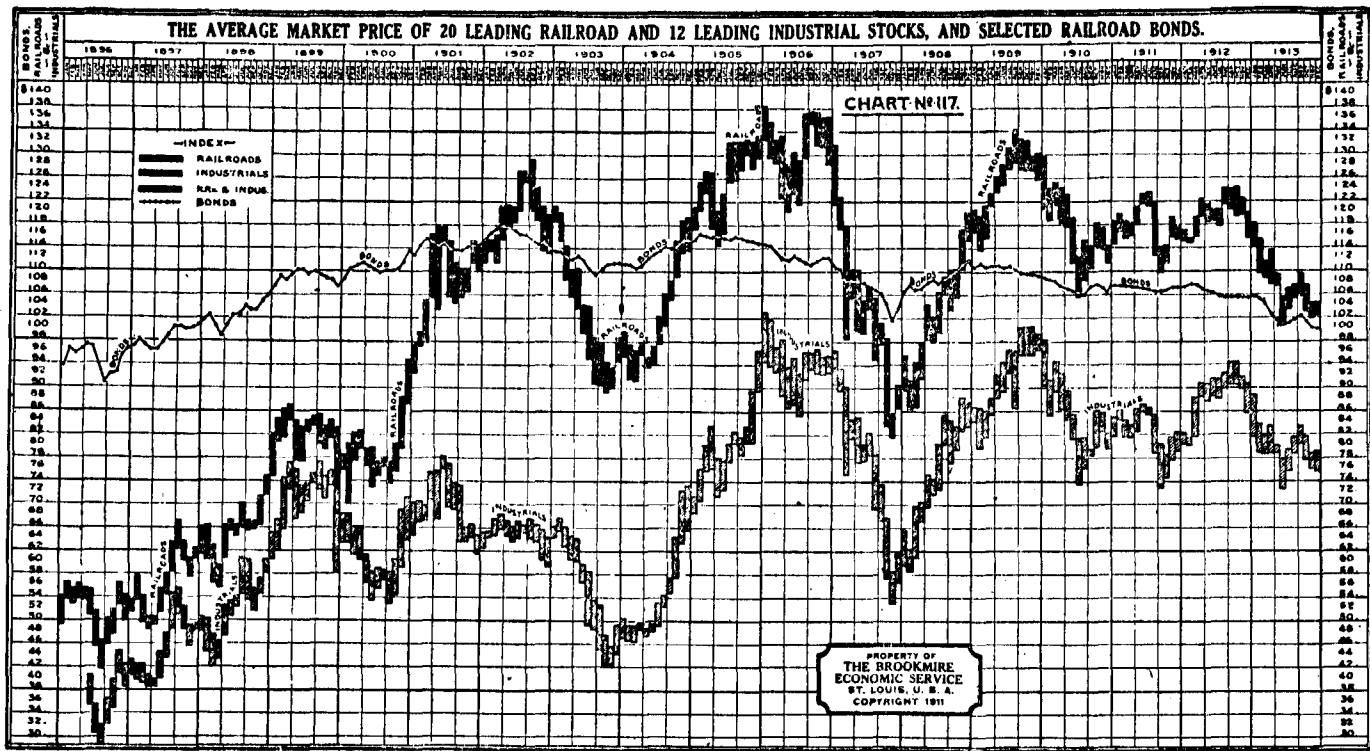


TABLE XXXV.—RELATIVE PRICES OF BONDS IN 10 RAILWAYS BY YEARS 1890-1912.

Prices in 1900=100.

Average.		Average.	
1890	83.5	1902	104.4
1891	81.3	1903	99.3
1892	84.9	1904	100.4
1893	82.9	1905	103.0
1894	85.0	1906	99.9
1895	88.0	1907	93.3
1896	86.9	1908	94.6
1897	90.2	1909	98.4
1898	93.7	1910	95.2
1899	99.7	1911	94.6
1900	100.0	1912	93.1
1901	103.9		

While no two of the bonds have agreed perfectly in their price fluctuations, the notable feature of the table is the narrowness between the highest and lowest relative prices. It would be difficult to find ten staple commodities which have kept so close together in the last twenty years. Professor Mitchell's chart of bonds, stocks and commodities from 1890 to 1910 is given herewith. His comment follows:

"The following are the chief differences shown by these tables between the fluctuations in the prices of bonds, stocks, and commodities: (1) With the exception of the erratic series for United States 4's, bonds are steadier in price than stocks or commodities—showing higher minima in 1890-99 and lower maxima in 1900-09. (2) Bonds rise, while stocks and commodities fall, in the periods of depression following the crises of 1893 and 1907. (3) Bonds reach their highest levels in 1901-02, while common stocks and commodities mount still higher in 1906, 1907, or 1909. (4) While the level upon which bonds fluctuate is somewhat higher in the second decade than in the first, there is no such marked contrast as in the case of stocks. (5) At the end of the period, bond prices show trifling losses or moderate gains in comparison with 1890, while all the series for stocks show large gains. Even the index number for commodities marks a greater advance than the average for bonds.

"In brief, bonds are more stable in price than commodities, commodities more stable than dividend-paying stocks, the latter more stable than preferred stocks, while common stocks are most variable of all. Further, bond prices differ strikingly from stock and commodity prices in rising during periods of business depression, and sometimes falling in periods of business prosperity."

Two other records of recent stock and bond prices in the United States, that of the Brookmire Economic Service* and that of Cotton and Finance respectively, are reproduced in the accompanying charts.

*The securities covered in this record are as follows:—

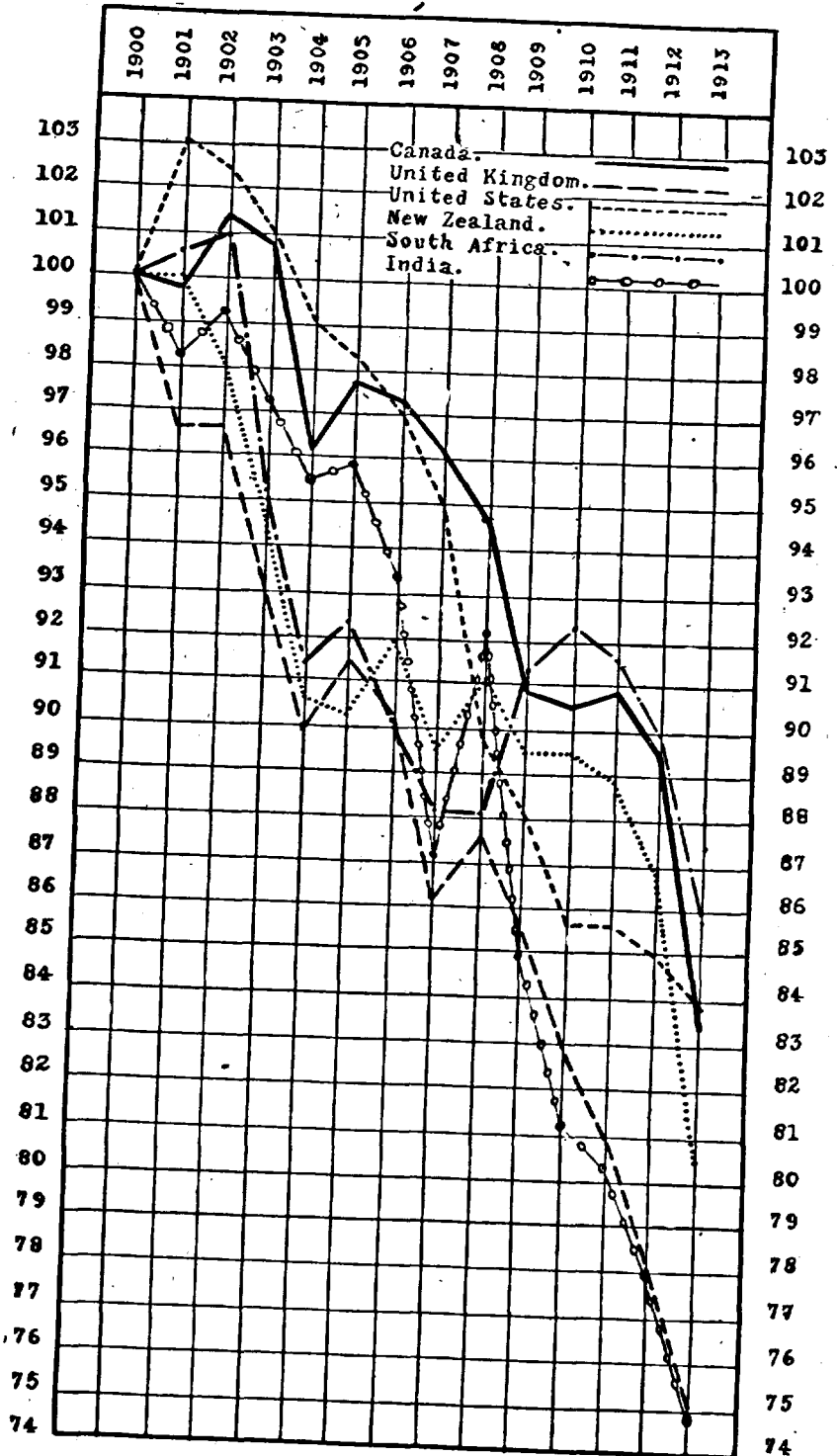
Bonds.—Atchison, Topeka & Santa Fe gen. 4's 1905; Central Railroad of New Jersey 5's 1907; Chesapeake & Ohio general 4½'s 1902; Chicago Milwaukee & St. Paul series A 4's 1909; Louisville & Nashville general 6's 1930.

Railroad Stock.—Atchison Topeka & Santa Fe; Baltimore & Ohio; Canadian Pacific; Chicago Northwestern; St. Paul; Delaware & Hudson; Erie; Illinois Central; Lehigh Valley; Louisville & Nashville; Missouri Pacific; New York Central; Rock Island; Southern Pacific; Southern; Norfolk & Western; Pennsylvania; Reading; Union Pacific; Northern Pacific.

Industrial.—Amalgamated Copper; American Car & Foundry; American Smelting; American Sugar; Central Leather; General Electric; National Lead; People's Gas; U. S. Rubber; U. S. Rubber 1st pfd.; U. S. Steel; U. S. Steel pfd.

DEPARTMENT OF LABOUR EXHIBIT

PRICES OF LEADING GOVERNMENT BONDS, ILLUSTRATING CONDITIONS IN THE MONEY MARKET, 1900-1913.
(Prices in 1900=100).



CHAPTER IV.—“THE CREDIT OF NATIONS.”—GOVERNMENT BONDS, 1900-1913.

In a class by themselves, Government bonds must be included in a survey like the present of the general movement of security prices. In the accompanying tables the leading Government bond of Canada, the United Kingdom, the United States, France, Germany, Austria, Hungary, Russia, Japan, China, India, South Africa, New Zealand, Argentina and Brazil, respectively, is quoted monthly from 1900 to 1913, on the London market, as in the *Statist* financial review.

The large table beginning page 710 gives the full series of quotations, but in the three summary tables on page 707 will be found respectively the average yearly prices (Table II), the average yearly yield of each bond at the current price (Table III), and a series of index numbers showing their relative fluctuations (Table IV). The latter are constructed by the method already described, pages 619-20. In the charts on pages 704 and 706 the variations in prices may be observed at a glance. The markedly downward trend is the outstanding feature.

Interpretation of Tables.

A record of this kind is chiefly valuable for the light it throws on the “cost of money”, i.e., the rate of interest paid in the leading money market of the world on loans affording the best of security and uninfluenced by conditions other than the supply of and demand for capital. There are, however, certain other considerations to be taken into account before the price can be regarded as reflecting money market conditions alone.*

Government bonds are affected by Government policies. The credit of a Government tends to fall when expenditures exceed revenue, necessitating the issue of loans and the increasing of the national debt. When the proceeds of the loans are applied to undertakings which will yield returns and in addition develop the resources of the country, such as railways, the influence on the credit of the Government will be less detrimental.

Financial as well as industrial policy also exercises a strong influence on the bonds of any Government. In France, arrangements to stop the rapid growth of the national debt and to pay off certain parts during the next half-century have greatly strengthened the credit of the country.

The bonds of the smaller and younger countries give the best examples of conditions other than the supply of capital and the quantity of bonds issued greatly influencing the market. The rise in the price of Brazilian and Argentine bonds accompanied greatly increased borrowings by these countries on the London market, and coincided with falling prices in other bonds, but as the loans were for the development of resources, the result strengthened the credit of these countries sufficiently to offset the greater cost of money. Canada, New Zealand and the Cape of Good Hope have similarly borrowed heavily for developments, but their bonds were already on a comparatively low level in 1900.

Government bonds are affected from time to time by arrangements of the Government by way of readjusting issues and rates of interest. A factor in lowering the price of Consols recently is said to have been the relaxing of

*See F. W. Hirst, *The Credit of Nations*, Report of the National Monetary Commission of the United States, 1910.

DEPARTMENT OF LABOUR EXHIBIT

PRICES OF LEADING GOVERNMENT BONDS, 1900-1913.
(Prices in 1900 = 100).

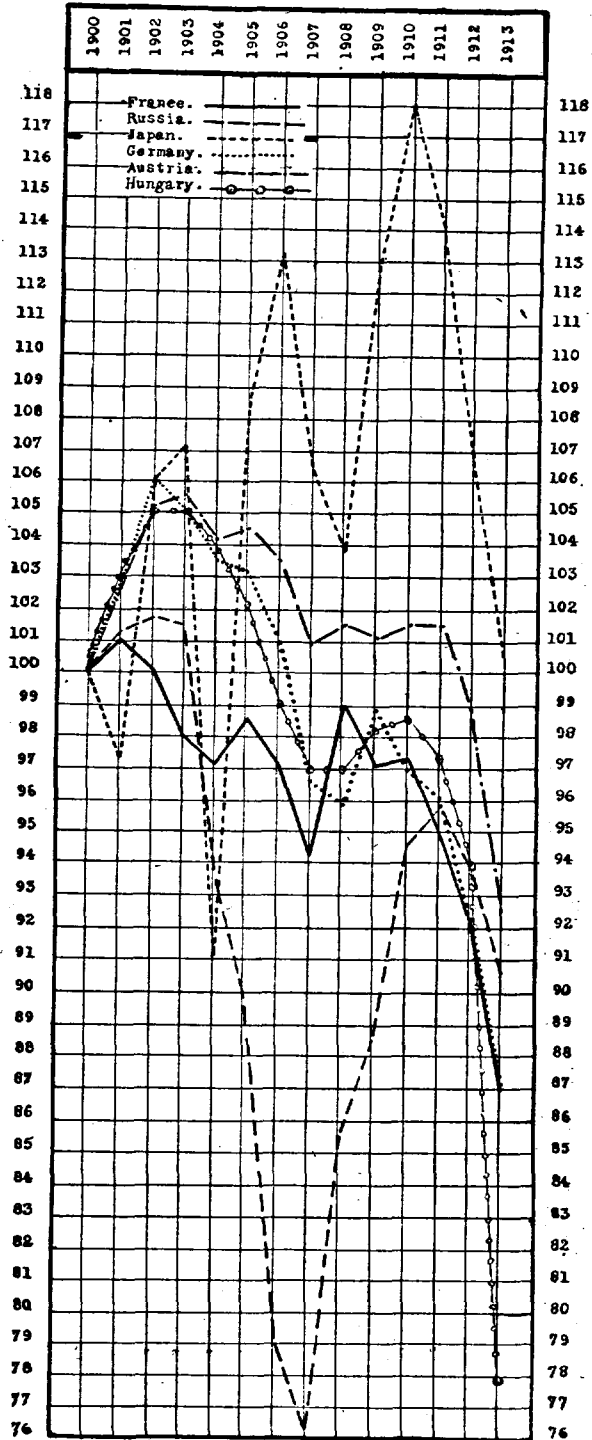


TABLE II.—AVERAGE PRICES OF LEADING GOVERNMENT BONDS, 1900-1913.

COUNTRY.	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canada, 3%.....	101.0	100.8	102.4	101.5	97.0	98.5	98.3	96.9	95.6	91.8	91.4	91.8	90.2	84.3
U'td. K'gd'm, Consols, 2½%.....	97.8	94.5	94.6	91.0	88.1	89.6	88.2	84.4	86.0	83.7	81.0	79.3	76.1	73.5
United States, 4%.....	134.3	138.3	137.1	135.4	132.9	132.1	130.2	127.2	120.3	118.4	114.9	114.6	113.9	112.3
France, Rentes, 3%.....	99.8	100.7	100.0	97.8	96.9	98.8	97.2	94.3	95.7	97.1	97.3	94.9	92.3	86.8
Germany, 3%.....	86.0	88.4	91.0	90.3	89.0	88.7	86.6	83.1	82.3	84.8	83.2	82.6	79.2	75.0
Austria, Gold, 1876, 4%.....	96.3	99.2	101.4	101.6	100.3	100.6	99.7	97.2	97.7	97.4	98.0	97.7	95.1	89.2
Hungary, Gold, 1881-92, 4%.....	96.2	99.1	101.1	101.0	99.9	98.4	95.3	93.5	93.5	94.6	94.9	93.9	90.5	75.0
Russia, 4%.....	99.2	100.4	100.9	100.7	92.9	89.2	78.5	75.9	84.8	87.9	93.8	95.0	93.0	89.9
Japan, 4%.....	79.6	77.6	84.5	85.5	72.6	86.6	90.3	84.9	82.5	89.8	94.1	90.9	85.0	80.2
China, Gold, 4½%.....	83.8	83.1	90.9	92.5	89.1	97.4	98.6	97.2	98.1	100.4	101.0	100.7	95.2	92.4
India, 3%.....	101.1	99.6	100.5	98.5	89.1	97.4	98.6	97.2	98.1	100.4	101.0	100.7	95.2	92.4
Cape, 3%.....	93.9	94.6	94.8	89.5	85.8	86.9	84.6	82.7	82.7	85.9	86.9	86.2	84.1	80.7
New Zealand, 3%.....	96.9	97.1	95.1	91.7	88.0	87.8	89.2	86.8	88.3	87.0	86.9	86.2	84.1	78.0
Argentina, 1896-7, 5%.....	97.2	95.4	94.4	99.8	102.9	102.5	102.6	101.9	102.8	103.9	103.6	103.5	103.3	102.4
Brazil, 1889, 4%.....	63.3	66.4	71.9	76.8	77.2	86.8	87.9	81.8	82.5	83.9	89.6	88.5	86.6	80.5

TABLE III.—APPROXIMATE YIELD OF GOVERNMENT BONDS, 1900-1913.

COUNTRY.	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canada, 3%.....	2.97	2.98	2.93	2.95	3.09	3.04	3.05	3.09	3.14	3.27	3.28	3.27	3.32	3.56
U'td. K'gd'm, Contols, 2½%.....	2.55	2.64	2.64	2.74	2.84	2.79	2.83	2.96	2.91	2.98	3.08	3.15	3.28	3.40
United States, 4%.....	2.98	2.89	2.91	2.95	3.01	3.03	3.07	3.14	3.32	3.38	3.48	3.48	3.51	3.56
France, Rentes, 3%.....	3.00	2.97	3.00	3.06	3.09	3.04	3.09	3.18	3.13	3.09	3.08	3.16	3.25	3.45
Germany, 3%.....	3.49	3.39	3.29	3.32	3.37	3.38	3.46	3.61	3.64	3.53	3.60	3.63	3.78	4.00
Austria, Gold, 1876, 4%.....	4.15	4.03	3.94	3.93	3.93	3.97	4.01	4.11	4.09	4.10	4.08	4.09	4.20	4.48
Hungary, Gold, 1881-92, 4%.....	4.15	4.03	3.95	3.95	4.00	4.06	4.19	4.28	4.28	4.22	4.21	4.26	4.42	5.33
Russia, 4%.....	4.03	3.98	3.96	3.97	4.30	4.49	5.09	5.27	4.71	4.55	4.46	4.46	4.72	4.87
Japan, 4%.....	5.02	5.15	4.73	4.86	5.05	4.62	4.56	4.63	4.59	4.48	4.45	4.46	4.72	4.87
China, Gold, 4½%.....	5.37	5.41	4.95	4.86	5.05	4.62	4.43	4.71	4.84	4.45	4.45	4.25	4.40	4.99
India, 3%.....	2.96	3.01	2.98	3.04	3.10	3.09	3.17	3.40	3.32	3.49	3.64	3.68	3.80	3.96
Cape, 3%.....	3.19	3.17	3.16	3.35	3.49	3.45	3.54	3.62	3.62	3.49	3.45	3.48	3.55	3.72
New Zealand, 3%.....	3.09	3.09	3.15	3.27	3.41	3.42	3.36	3.45	3.39	3.45	3.45	3.48	3.56	3.84
Argentina, 1886-7, 5%.....	5.14	5.24	5.29	5.01	4.86	4.87	4.87	4.90	4.86	4.81	4.82	4.83	4.84	4.88
Brazil, 1889, 4%.....	6.32	6.02	5.56	5.21	5.16	4.61	4.55	4.89	4.85	4.77	4.46	4.52	4.62	4.97

TABLE IV.—INDEX NUMBERS OF GOVERNMENT BONDS, 1900-1913.

Country.	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canada, 3%.....	100.0	99.7	101.4	100.7	96.1	97.7	97.3	96.1	94.6	90.8	90.5	90.8	89.5	83.4
U'td. K'gd'm, Consols, 2½%.....	100.0	96.6	96.6	93.0	89.8	91.4	90.3	86.1	87.6	85.6	82.8	80.9	78.3	75.0
United States, 4%.....	100.0	103.1	102.4	101.0	99.0	98.3	97.0	94.9	89.7	88.1	85.6	85.6	84.9	83.7
France, Rentes, 3%.....	100.0	101.0	100.0	98.0	97.1	98.6	97.1	94.3	99.0	97.1	97.4	94.9	92.3	86.9
Germany, 3%.....	100.0	102.9	106.0	105.1	103.5	103.2	100.9	96.6	95.8	98.8	96.9	96.1	92.3	87.2
Austria, Gold, 1876, 4%.....	100.0	102.9	105.3	105.6	104.2	104.5	103.5	100.9	101.5	101.2	101.6	101.5	98.8	92.6
Hungary, Gold, 1881-02, 4%.....	100.0	102.9	105.0	105.0	103.7	102.2	99.0	96.9	96.9	98.3	98.6	97.4	93.8	77.8
Russia, 4%.....	100.0	101.3	101.7	101.5	93.7	89.8	79.1	76.4	85.5	88.5	94.6	95.7	93.7	90.6
Japan, 4%.....	100.0	97.4	106.1	107.2	91.1	108.6	113.3	106.5	103.7	112.8	118.1	114.1	106.8	100.6
China, Gold, 4½%.....	100.0	99.2	108.5	110.5	106.3	116.2	117.7	115.9	116.9	119.8	120.7	120.4	113.7	110.3
India, 3%.....	100.0	98.3	99.3	97.3	95.5	95.8	93.4	87.1	92.1	84.8	81.3	80.4	77.9	74.7
Cape, 3%.....	100.0	100.6	100.9	95.2	91.4	92.4	90.1	88.1	88.1	91.4	92.4	91.6	89.9	85.7
New Zealand, 3%.....	100.0	100.0	98.1	94.5	90.6	90.3	91.9	89.5	91.1	89.5	89.5	88.8	86.8	80.5
Argentina, 1886-7, 5%.....	100.0	98.1	97.1	100.6	105.8	105.5	105.5	105.0	105.7	106.8	106.6	106.4	106.2	105.3
Brazil, 1889, 4%.....	100.0	104.9	113.7	121.3	122.0	137.3	138.8	129.3	130.3	132.5	141.7	139.8	136.8	127.2

the laws restricting the investment of trust funds, the effect of which was to curtail the demand.

But the influence of these tendencies is slight compared to that of the main factors, namely, the returns which may be obtained on investments and other securities, and the available supply of capital. As Mr. Hirst has said, to expound such tables fully would be almost equivalent to writing a history of Europe and America. "The bearing of foreign and colonial policy upon finance is particularly strong. While Italy and Spain were pursuing a spirited colonial policy in Abyssinia, Cuba, and the Philippines, their finances decayed and their credit languished. When, having suffered defeat, they withdrew, the recovery was extraordinarily rapid, until in 1909 Italy can borrow on better terms than Germany, while even Spanish credit is little inferior. The influence of the war with Japan on Russian credit is also plainly visible, while the heavy addition to British debt resulting from the Boer war has greatly reduced the lead of British credit, which is now very little better than that of France. The United States figures are misleading because there is an artificial demand for the bonds for currency purposes."*

Commenting on the prices of international bonds since 1900 Mitchell (*Business Cycles*, p. 221) observes: "The crisis of 1900 was more serious in Europe than here. It again disposed investors to seek safety, and bond prices turned upward—vigorously in Germany, where the crisis was most severe, mildly in France and England. The highest points reached, however, were much below the records of 1896-97. The movements of 1903-05 were irregular and slight—save that United States 4's declined heavily in 1904. But after 1905 the renewed prosperity brought renewed neglect of bonds, and prices fell rapidly until 1907. This time the American trend harmonized with the European. The difficulties experienced in financing large enterprises in New York had their counterparts in London, Paris, and Berlin. After the crisis, bond prices rose again; but the yearly averages for United States and German bonds were less in 1908 than in 1907. In the last year the French, German, and West Shore bonds rose slightly, while Consols and the United States 4's fell."

Bond Prices and the Cost of Living.

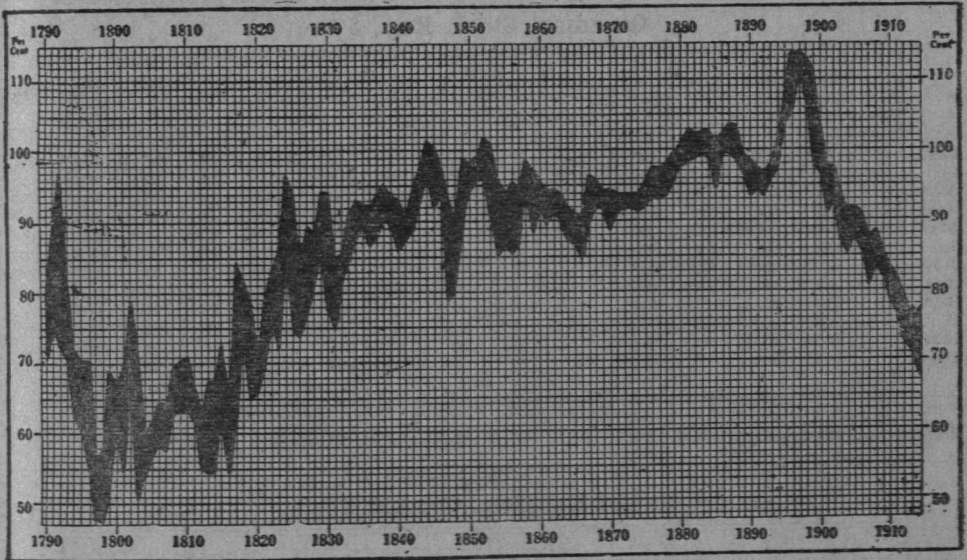
When trade is good, and speculation and enterprise active, with prices rising, a higher rate of interest is obtainable for loans, whereas when trade is declining and prices falling lenders must be content (other things being equal) with less. Thus it commonly happens that securities of fixed interest bearing character move in exactly the opposite direction to index numbers of prices. Though this movement is often obscured, the diagram opposite of Consols and the Sauerbeck index number inverted (from the *Statist* of Nov. 22, 1913) illustrates how as a general rule the two tendencies synchronise. §

*Report of the National Monetary Commission of the United States, 1910. "When the British Government issued more than 150 millions of Consols and Exchequer bonds, and Treasury bills, the price of Consols fell heavily; and when the war was over it was found that the proportion by which the National Debt had increased corresponded almost exactly with the proportion by which the price of Consols had fallen, showing that the public demand for gilt-edged securities had remained fairly constant."—F. W. Hirst, *The Stock Exchange*, p. 188-9.

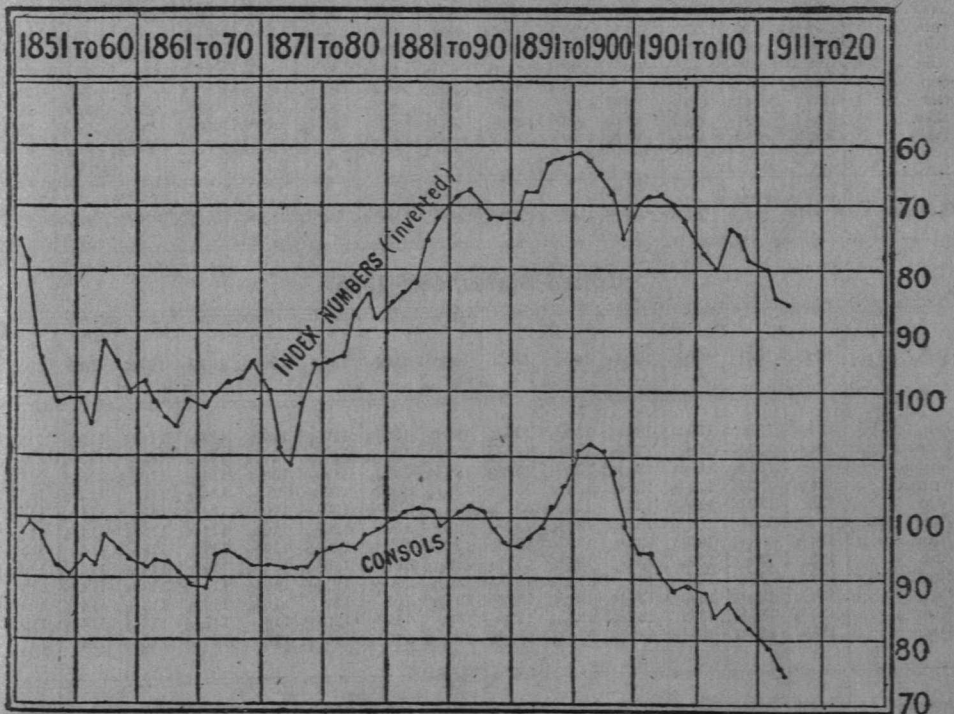
§In an article in the *English Bankers' Magazine* of January, 1913, A. H. Gibson shows that the yield of Consols since 1875 has varied as commodity prices. "The greater the cost of living," he says, "the less must be the national savings and the margin for investment, and the greater the necessity of the investing public seeking stocks of higher yield. If investors simply changed to other higher interest-bearing stocks in the gilt-edged group, it is hard to see what material effect such a transfer would have on the price of Consols, for the stocks in the gilt-edged group are inter-dependent. But when investors change to industrials or foreign stocks, then the effect of their action is obvious. Conversely, the less the cost of living the greater must be the national savings and the margin for investment, and the less the necessity of the public seeking stocks of high yield. These views are strongly supported by the fact that an increase or decrease in the cost of living generally precedes a rise or fall in the yield on Consols, credit and the running off of old stocks being the cause of this retardation."

The same tendencies are shown by a chart published in the *London Financial Times* in February 1912, which indicates the prices of commodities and the yield of Consols from 1835 to 1911. As a rule, the commodity curve is about one year in advance.

PRICES OF THE BRITISH CONSOLS FOR 125 YEARS.



THE RELATIONS OF PRICES OF COMMODITIES AND PRICES OF BONDS.



DEPARTMENT OF LABOUR EXHIBIT

TABLE I. PRICES OF GOVERNMENT BONDS, 1900-1913.
 QUOTATIONS FROM THE "STATIST" ON THE FIRST OF EACH MONTH AT LONDON, ENG.

Canadian, Stock. Reg., 3%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Jan.....	99½	100	101½	101¾	98	97½	97¾	99	95	83¾	92	90½	90¼	88¼
Feb.....	101	100½	101½	103¼	97¼	98	98	99	96¼	90	92	91½	90¾	86½
March.....	101	101	101¼	103	96	99¾	97¾	98¾	95¾	91¼	92	92¼	91	86
April.....	102	101	102	102¾	95	97½	98	95¾	96¼	92¼	92	92¼	91¼	85¼
May.....	102½	100½	102½	103	96¼	97½	98	96	96¼	93¾	92¼	92¾	91½	85½
June.....	103	101	104	103½	99	98	98¾	97	97	93½	92¼	93½	90¼	83¼
July.....	102	100	102¼	102	97	96¾	98¾	96¼	95	91¾	91	91¾	89¾	82¼
Aug.....	101	100	102¾	100½	96¾	98¼	98¼	99¼	96¼	94¾	92¼	91¾	89½	83
Sept.....	101	101½	102¾	100¾	96¾	100½	98¾	96¼	95½	95½	91	91½	89	84
Oct.....	100	101	102½	98¾	97¼	100¼	96¾	96¾	95½	92½	91	91	89¾	83
Nov.....	100½	101¼	103	99½	97½	98½	98	96½	95	92½	91	91¼	89½	83
Dec.....	100½	102	103	99¾	97¾	99¼	100	95¾	95	92¾	89½	91½	88½	81½
Average....	101.0	100.8	102.4	101.5	97.0	98.5	98.3	96.9	95.6	91.8	91.4	91.8	90.2	84.3

United Kingdom, Consols, 2½%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Jan.....	96¾	97½	93½	93½	88¾	88½	89½	86¾	83¾	83¾	82¾	79½	77½	75½
Feb.....	98½	97	95	93	87¾	88½	90¼	87	87½	83½	81½	79½	77½	74½
Mar.....	98	96½	94½	92¼	84½	90½	90	86½	87½	84½	81½	80½	77½	73½
April.....	98	96	94½	91	86¼	90½	90¾	85½	87½	84½	81½	81½	78½	74½
May.....	93	95	95	92	89½	88½	89½	85½	85½	82½	80½	81½	78½	74½
June.....	99½	91	97	91½	90½	90½	89½	83½	87½	84½	81½	80½	76½	73½
July.....	99	94	96½	92½	90½	90½	87½	84½	88½	84½	82½	78½	75½	72½
Aug.....	97	93½	95½	90¾	87½	90½	87½	82½	86½	84½	81½	78	74½	73½
Sept.....	97½	94½	93½	89½	88½	90½	87½	82½	86½	84½	80½	77½	74½	73½
Oct.....	97	94½	93½	88½	88½	88½	86½	82½	85½	84½	80½	77½	74½	73½
Nov.....	98	92½	93½	88½	87½	88½	86½	82½	84½	82½	79½	79½	74½	72½
Dec.....	97½	92½	93½	88½	88½	89½	86½	82½	83½	82½	79½	77½	75½	72
Average....	97.8	94.5	94.6	91.0	88.1	89.6	88.2	84.4	86.0	83.7	81.0	79.3	76.1	73.5

United States, 4%, 1925.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Jan.....	134¼	138	139¼	135½	133¾	131½	130¾	130¾	119½	120%	115¼	115¼	113%	114
Feb.....	133½	137¼	139	135½	133¾	131½	130¾	129	118½	120%	115¼	115¼	113¼	114
March.....	135	137¼	139½	135½	133¾	131½	129¾	130	119	120%	114¾	116	113¾	114
April.....	134½	137¾	139½	135¾	133¾	131½	129¾	130¾	120½	120%	114¾	116	113¾	113½
May.....	133	137¾	139½	136	132¾	131½	131	130¾	120½	120%	114¾	115	114¾	113½
June.....	134½	138½	139½	137¾	132¾	131½	129	130	120½	119½	114¾	114¾	114¾	114½
July.....	134¼	138½	135¾	135¾	132¾	132½	129	127¾	120½	119½	114¾	114¾	114	113¾
Aug.....	133	139	132	134¼	132¾	132½	129	127¾	120½	116¾	114¾	114¾	114	110¼
Sept.....	133½	137	132	135	132¾	132½	130¾	125¾	121½	116¾	114¾	113¾	114½	110¼
Oct.....	134¼	139¼	137	135½	131½	132½	131½	125	121	116¼	114¾	113¾	114½	109½
Nov.....	134¼	139¼	137	135¼	131½	132½	131	119½	120%	116	115½	113¾	114½	110½
Dec.....	138	139¼	135½	133¾	131½	131½	130¾	119½	120%	115	115½	113¾	114	111
Average....	134.3	138.3	137.1	135.4	132.9	132.1	130.2	127.2	120.3	118.4	114.9	114.6	113.9	112.3

French Rentes, 3%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Jan.....	98	101	100	99	97	97	99	94	95	96	98	96½	94½	88½
Feb.....	100	101	100	100	97	98	99	94	96	96	98	96½	94½	88½
March.....	101	101	100	99½	94	99	99	95	97	97	98½	96½	94½	88½
April.....	100	101	100	98	96	99	98	94	96	97	97½	96½	93½	88½
May.....	100	101	100	98	97	99	98	94	96	97	98	96	92½	86
June.....	100	101	101	98	97	99	98	95	95	97½	98	95	93½	85½
July.....	99	100	101	97	97	99	96	94	95	96½	98	93	92½	83
Aug.....	99	100	100	97	97½	99	96	95	95	97½	96½	93	91½	86½
Sept.....	100	101	101	97	97½	99	97	94	96	97½	96½	93½	91½	88½
Oct.....	99	100	99	96	97	99	96	94	96	97	96½	93	90½	87½
Nov.....	100	100	99	97	97½	99	95	94	95	97½	96	94½	88½	85½
Dec.....	101	101	99	97	98	99	95	95	96	98½	96	95½	89½	84½
Average....	99.8	100.7	100.0	97.8	96.9	98.8	97.2	94.3	95.7	97.1	97.3	94.9	92.3	86.8

German, 3%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Jan.....	88	87	90	90¼	90¼	89	88	86	82	84¼	84½	83½	81½	77½
Feb.....	88½	89	91	91¼	90½	89¼	88	86	82½	85½	84½	84½	81	77
March.....	86½	88½	92	91¼	88½	90¼	88	85	82½	86	84	84	81½	76
April.....	85¼	87	90½	90¼	89½	89	87½	83	80½	85½	83	82¼	80	75
May.....	84¼	87	90¼	90¼	88½	88½	86½	82½	80	85	83½	82½	80	75
June.....	86	87½	91¼	90¼	88½	88¼	86	82	82½	85	83	83	79	75
July.....	84¼	88¼	91¼	90¼	89½	89¼	87	83	81½	84½	84	82½	79	73
August.....	85½	90½	92	90	89	89¼	86½	82	83	86	83	82½	79	74
Sept.....	86	90	91¼	89½	89¼	89	86½	82	83½	85½	83	82½	78½	74
Oct.....	84¼	89½	90¼	88½	88	87¼	85	83	83	83½	81	80½	77½	75
Nov.....	87	87¼	90½	89¼	88	87¼	84½	81½	82¼	82¼	82	81½	76	74
Dec.....	86¼	88¼	90	90	88¼	87½	85½	81	84	84	82½	81½	77	75
Average....	86.0	88.4	91.0	90.3	89.0	88.7	86.6	83.1	82.3	84.8	83.2	82.6	79.2	75.0

Austrian, Gold, 1876, 4%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Jan.....	96	99	100	102	101½	101	100	98	96	96	99	98	97	91½
Feb.....	99	99	102	102	101½	100	100	98½	99	97	99	98	96	91½
March.....	100	99	102	102	99½	101	100	98½	99	98	100	98	97	91½
April.....	98	98	100	101	99½	101	100	96	97	97	98	97	95	88½
May.....	98	97	101	101	100	101	101	98	97	97	98	97	95	88½
June.....	95	98	101	101½	100	101	101	98	98	97	98	98	96½	88½
July.....	96	99	102	100½	99	100	99	98	98	95	97½	99	95½	85½
Aug.....	96	99	103	103	99½	100	99	97	98	99	97½	99	96	90½
Sept.....	99	101	103	103	99½	100	99	97	99	100	98½	99	96	91½
Oct.....	95	100	101	100½	100½	101	99	96	97	98	96½	96	94	88½
Nov.....	86	100	101	101½	101½	100	99	96	97	97	96½	96	91½	87½
Dec.....	98	101	101	101½	101½	101	99	95	97	98	97½	97	91½	86½
Average....	96.3	99.2	101.4	101.6	100.3	100.6	99.7	97.2	97.7	97.4	98.0	97.7	95.1	89.2

DEPARTMENT OF LABOUR EXHIBIT

Hungarian, Gold, 1881-92, 4%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Jan.....	93½	97	99½	100½	101½	99	95½	95½	92	91	94¼	93	91½	77½
Feb.....	98½	98½	100½	101½	99½	99	95½	95½	94½	92½	95	93	91½	77
Mar.....	98	99	100½	101½	98½	99½	95	95	94	93½	95½	93½	91½	76
April.....	97	99	100½	102	99½	99½	96½	93½	94	94½	95½	94½	91½	75
May.....	97½	98½	101	102½	99½	105¼	96½	94½	94	96½	96	94½	91½	75
June.....	97	99½	102½	103	100	99¾	96½	94	95	96½	96	94½	91½	75
July.....	95	98¾	100½	101	99	97½	94½	92	93	95¼	96	95	92	75
Aug.....	95¼	98¾	101½	100½	99½	96¾	94	92	92½	94½	94	95	90½	73
Sept.....	95½	100	101½	100	99½	96¾	94	92	93	95¼	94¾	94	90½	74
Oct.....	93	99¾	101	99	100½	96¾	94	91½	93½	95½	94¾	94	90½	74
Nov.....	96½	100	102	100½	100½	96¾	94½	93	93	95½	94	93½	89	75
Dec.....	98½	100¼	102	100½	101	94½	96½	93	92½	95½	94½	94	88	74
Average....	96.2	99.1	101.1	101.0	99.9	98.4	95.3	93.5	93.5	94.6	94.9	93.9	90.5	75.4

Russia, 4%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Jan.....	98½	100½	100	100½	98	89¾	84	78¾	80¼	82¼	94	96	94¾	90¼
Feb.....	100	101	101	102	97	90	83¼	79½	85	83½	93	95¼	94¾	91¼
March.....	101	101½	100½	102	92¾	88	83¼	76¾	82¼	85	94½	95	94¾	91
April.....	100¼	100½	99½	101	95	88	83	74	83¼	85¼	93	94	93	90½
May.....	100	101½	100	101	90¾	88	82½	75¼	83¼	88	93	94	93	90½
June.....	99	101	100½	101½	90¼	87¾	82	73¼	88¾	88½	94	96¾	94¼	89½
July.....	98	99¾	100½	100½	91¾	87¼	76¾	73¼	86¾	88¼	93½	95¼	93	88
Aug.....	97¼	99	102	100	91½	88	72	73¼	86	89¼	93¼	96¼	92½	90
Sept.....	99½	101	102½	100	91½	94¼	72	74	87¼	91¼	93½	95½	93½	91½
Oct.....	97¾	100	101	99	92¼	94	71¼	76	85¼	90½	94	93½	91½	90
Nov.....	99	99	101½	100	92½	91	74¼	75¼	83¾	90¼	93¾	93¾	90½	88
Dec.....	100	100½	101½	100½	93	83¾	77½	80	84½	93¼	95¼	95½	90¼	89
Average....	99.2	100.4	100.9	100.7	92.9	89.2	78.5	75.9	84.8	87.9	93.8	95.0	93.0	89.9

Japan, Sterling, 4%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Jan.....		79½	75	87½	77	76¾	91	87¼	79½	84½	91½	92	85¾	82
Feb.....		81	81½	87¼	74¾	80	90½	82½	82½	87	94	91¼	87½	82
March.....		81	84¼	88	65¾	85¼	88¾	86	80¼	89	95¼	91½	86¼	81½
April.....	82	77½	82¾	87¾	63½	84¾	91¾	85½	81¾	89¾	95¾	91½	86¼	82
May.....	81	79	84½	88½	67¾	83	91½	88	80¾	90¾	96¼	91¾	86	80¼
June.....	81	77¼	87¼	88¼	74¾	87¼	92¾	88¼	84¾	93¾	95¾	92¼	86¼	79¾
July.....	76½	75½	86	86½	76	87½	90¾	85½	82¼	89¾	94	89½	84	78
Aug.....	79	75	85¼	83¼	74½	88¼	89¾	83	81¼	89¾	93¼	90	83½	78½
Sept.....	79	76	86¼	83¼	75¾	90¼	89¾	83½	83¾	91¾	93¼	90½	84¾	80
Oct.....	79	76½	85	82	72	91	89¾	84¾	83¾	91	92½	90	83¼	79
Nov.....	79	76½	87½	81¼	74¾	91¼	88¼	83¾	84¼	90¼	93½	90¼	82½	79
Dec.....	80	76½	88	81¼	75	92¾	89½	82¼	85½	92	93	89¼	84	80
Average....	79.6	77.6	84.5	85.5	72.6	86.6	90.3	84.9	82.5	89.8	94.1	90.9	85.0	80.2

COST OF LIVING

Chinese, Gold, 4 1/2%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	104	81½	88¾	91¾	89¾	93	99¾	98	96½	100½	101¼	101¾	96½	95½
February.....	104	83	90¾	93½	90½	95	101	99¾	98¾	100½	102¼	102	96¼	93¼
March.....	104	82	90¾	91	84¼	95¾	96½	98¼	96½	99½	100½	104	96	92¼
April.....	82½	80¾	89½	92¼	86¾	96¾	98¼	97	96	100	100½	100¾	95½	92¾
May.....	82	80¾	89¼	93	86	97	98½	97¾	96¾	100¾	100½	101	95½	91
June.....	81¼	84½	90½	93½	88	97½	99	98	99	100¾	101¼	101¼	94½	91½
July.....	68½	83¾	91¾	94	90½	98¾	100	98¼	98¾	100	101¼	101¼	94¼	92
August.....	73½	81¾	93	93¾	90½	98¾	100½	98¼	100	102	102¼	102	95	94
September.....	76½	83¾	92	91¾	89¾	98¾	98¼	95½	98¾	100	100¾	100¾	94½	90½
October.....	76¾	83¾	91¼	92	90¼	98¾	97¾	96	99	100¾	100¾	98½	94	90
November.....	76¼	84¼	92¾	91½	90¼	99¼	96½	94¼	98¼	100½	100½	96	94½	92¼
December.....	76½	88	90¾	91¾	92¾	99¾	97¾	95¼	99	100¾	100¾			
Average.....	83.8	83.1	90.9	92.5	89.1	97.4	98.6	97.2	98.1	100.4	101.0	100.7	95.2	92.4

India, Stock, 3%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	102¼	100¼	99¼	100¼	96	96¼	96½	92¼	88¼	85¼	83½	82¼	79¼	77¼
February.....	103¼	100¾	100¾	100¼	95½	96¾	97	92½	98½	85	83½	82¼	80	77
March.....	104½	101¼	101¼	99½	94½	95¾	96¾	91¼	91¼	85¼	82½	83¼	80¼	75¼
April.....	103¼	100¼	100¾	98½	95	97½	97	90½	92¼	87½	82½	83¾	80½	76
May.....	102¾	101¼	101¾	100	96¼	97¼	96	88¼	89½	89½	82½	83¾	80¼	76
June.....	102¾	100¼	101½	98½	96½	97¾	94½	85½	87½	92	87½	83	82¼	78¾
July.....	99¾	100	101½	99	95¾	97¼	93½	86½	91	86½	83¼	80½	77¾	75
August.....	96	99	100½	98	93½	97¾	93½	85¾	88½	85½	82½	80	78½	76¼
September.....	97¾	98¾	99¾	97¼	94	97¾	93	84¼	88½	85¼	80¼	80½	77¾	76
October.....	98¾	98¼	99	96¼	95½	96½	92¼	86	88¾	84¼	80½	76¾	77½	75¼
November.....	100¾	97¾	99¾	97	94½	95¼	92¾	85¾	87¾	83¼	81	81	77¾	74¾
December.....	101½	98½	100	97¼	94¾	97¾	92½	87½	86½	84½	81¼	80¼	79	73½
Average.....	101.1	99.6	100.5	98.5	96.7	97.1	94.5	88.1	90.2	85.8	82.3	81.5	78.9	75.7

Capc of Good Hope, 3%, Insc.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....		95½	93¼	91¾	89	85½	86	84	83	83½	85½	85	85	83
February.....		95	94½	91¾	86¼	85¾	85	84½	84	84	86	85½	85	83
March.....		95½	96½	91¼	83¼	88¾	85	84	83	84½	87	86½	85	82
April.....		95¼	97	91¼	85¼	88½	85	83	83	85	87½	87	85	82
May.....	96	95	97½	92½	87	88	85	84	81	87	87½	87	85	82
June.....	93½	94½	98¼	90¼	88	88½	84½	84	84½	88	88	87	86	82
July.....	96½	93¾	95¾	91	87	86½	83½	83	82½	88	88	86	84½	80
August.....	95	94	94¾	88½	83¾	86½	84	82	82	86	87	86	84	79
September.....	95	94½	93½	87¼	83¼	86½	84½	81	82	86	87	86	84	79
October.....	97	94½	92¼	84¼	84½	86	83	80½	81	86½	87	85½	84	79
November.....	97¾	94½	92¼	85½	85½	85	83½	81	82	86	86½	86	83	79½
December.....	97	94½	92¼	87¼	86	87	86	81½	84	86	85½	86½	83	79
Average.....	93.9	94.6	94.8	89.5	85.8	86.9	84.6	82.7	82.7	85.9	86.9	86.2	84.4	80.7

New Zealand, 3%, Insc.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....		98	94½	95½	89¾	88½	87½	89	87	87½	86½	85½	86½	80
February.....		98	95	95¾	89¾	88½	89½	89½	90	87½	87	85½	87½	80
March.....		97	93¾	91¾	86¾	88½	89½	89½	88½	86½	87	86	86	78
April.....		96¾	93¾	91¾	87	88	90	87	88½	87	87	86½	85½	78
May.....		96½	97	95	92¾	87	88	89½	86½	88	87½	87½	86½	78
June.....		97½	97¾	96¼	92¼	89	88	89	86½	89	87½	87½	86½	78
July.....		97¾	99	96½	92¼	89	88	89	87	89	87½	87½	86½	77
August.....		97	99	96¼	91	88½	88	89½	87	89	87½	88	86½	84
September.....		96	97½	95¼	90	87	88½	89½	85½	88	86½	86½	86½	77
October.....		96¾	96½	94¼	88¾	87½	87	89	85	87½	86½	86½	85½	77
November.....		97¼	96¾	95½	90	88	86	88½	85½	87½	86½	86	86½	80
December.....		97	93½	95	90	88	87	89½	84½	87½	86	85½	86½	78
Average.....	96.9	97.1	95.1	91.7	88.0	87.8	89.2	86.8	88.3	87.0	86.9	86.2	84.1	78.0

Argentina, 1886-7, 5%.

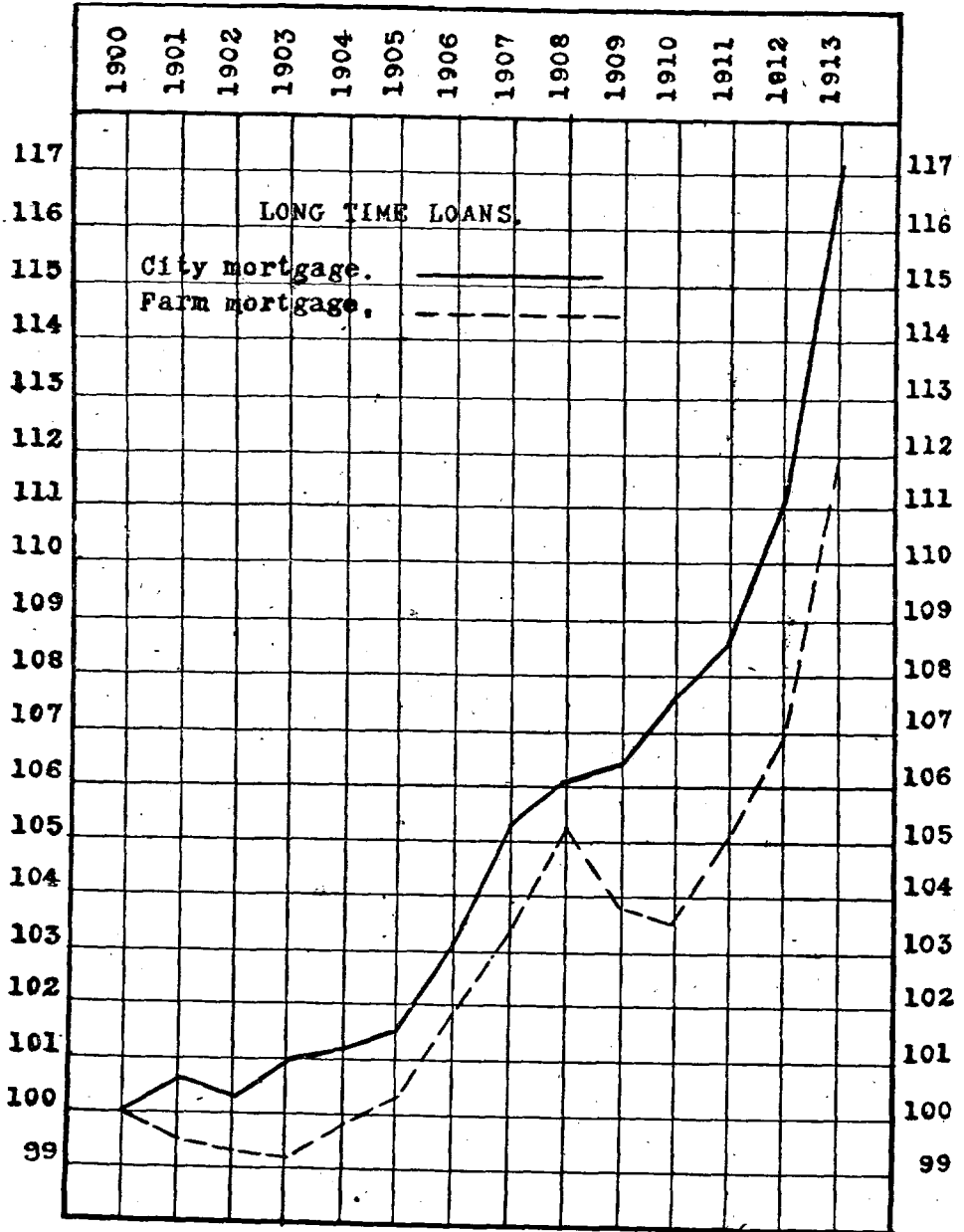
	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	96	92¾	90½	97	101¾	101¾	103	103½	100	103	103	103	102	103
February.....	99	95¼	92¾	98¾	100	101½	103½	101½	102	103	103	103	102½	103
March.....	100	95	92¼	98¾	99¾	103	103	101	102½	103	103½	103	102½	102½
April.....	98	97½	91¼	99	101¼	103¾	102¾	101¼	102½	103½	103¾	103½	103	103
May.....	98	97	92	100	102½	103¾	102¾	102	103	104½	103¾	103¾	104	103
June.....	95	98½	96½	101	103½	103¾	103¾	103¾	104	104¾	104	104	105	102
July.....	96	95¾	95¼	100¼	101¼	101	102¼	101½	102½	103	102½	102½	104	101
August.....	96	92¾	96¼	100	101½	101¾	102	101	103	104¾	104½	103½	103½	102½
September.....	99	95	96½	99¾	101½	101½	102½	101¼	103½	104¾	104	103½	103½	102½
October.....	85	95½	95	99¾	102¾	102¾	102¾	102¾	103½	105	104	103	103½	102½
November.....	96	94¾	96½	101¼	103¾	102¾	102¾	102	103¾	104¾	103¾	104	103	101½
December.....	98	95	98¾	101¾	103¾	103	102¾	102¾	104¾	104¾	104	104¾	103½	102½
Average.....	97.2	95.4	94.4	99.8	102.9	102.5	102.6	101.9	102.8	103.9	103.6	103.5	103.3	102.4

Brazil, 1889, 4%.

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	58	63¼	68	76¼	76¾	82¾	87¼	84¼	82¼	80	89¼	89	86¾	83¾
February.....	61	65¼	69¼	75¾	76¼	84¼	89¼	86	84¼	81½	90¼	90¼	87¼	84¼
March.....	64	67½	70¾	78¼	73¼	87¼	90	83¾	84¼	83	90	91	88	85¼
April.....	63	66¼	68¾	76¾	76¾	86¾	88¾	81¾	83¼	83	89	88¾	86¾	83
May.....	64½	71¼	69¼	76¾	73½	85¼	87¼	82½	82½	84¼	89¾	87¼	85¼	81½
June.....	66½	68½	72¼	77	75¼	85½	90¼	81	84¼	84½	90	87¼	85¼	78½
July.....	66¼	68½	71¾	76¾	77¾	86¾	89½	82	83½	84	89½	87¼	85¼	77
August.....	64	66¼	71¾	76¾	77	88¾	88½	79½	82¼	84¼	89	87¼	85¼	79
September.....	66½	65	74¾	77	79	89¾	90	81	82¼	87¾	89¾	88¾	87½	82¼
October.....	63	64	76¼	75	79	88½	85¼	80½	79½	84½	90	89	84	79½
November.....	61¼	64¾	76	76¾	79½	87¾	84	79¼	80½	84	89¼	88¼	82¼	76
December.....	61¼	66½	73¾	78	82¼	88½	85	80	80½	85¾	89¾	87¼	83	76¼
Average.....	63.3	66.4	71.9	76.8	77.2	86.8	87.9	81.8	82.5	83.9	89.6	88.5	86.6	80.5

PART (1). SECTION (6)—INTEREST.

THE RATE OF INTEREST IN CANADA, 1900-1913.



PART (1). SECTION (6)—INTEREST.

INTEREST AND EXCHANGE—THE PRICE OF MONEY.

The connection of the rate of interest with the cost of living is intimate. Domestic expenditures are directly affected, for example, when in the acquiring of a home part of the payment is made by giving a mortgage. But the chief connection comes by way of general business, which is usually conducted on borrowed money. The rate which must be paid for this capital, both when it is permanently invested and when it is used to facilitate the temporary transaction of business, bears directly on cost of production and profits and must react therefore on prices.*

In approaching the subject, it is necessary to distinguish between the different kinds of loans of which the interest rate represents the price. These are (a) long time loans, and (b) short time loans. Among the former, a prominent type is a loan secured by mortgage. The commonest mortgages are (a) those upon real estate and buildings, and (b) those upon the general assets of a concern—in other words bonds. Short time loans include loans where the money is not put to permanent employment as above but is used

*Mill begins his chapter on the Value of Money by "clearing from our path a formidable ambiguity of language," by which, as he explains, money is commonly confounded with capital. "When one person lends to another," he says, "what he really lends is so much capital; the money is the mere instrument of the transfer. But the capital usually passes from the lender to the receiver through the means either of money, or of an order to receive money, and at any rate it is in money that the capital is computed and estimated. Hence, borrowing capital is universally called borrowing money; the loan market is called the money market . . . and the equivalent given for the use of capital, or, in other words, interest, is not only called the interest of money, but, by a grosser perversion of terms, the value of money."

Mr. Hartley Withers in his interesting book on *The Meaning of Money* has the following:

"The price of a hat is the sovereign that you pay to become its owner; the price of money is the sovereign or sovereigns that you promise to pay some day for the loan or temporary use of it. The market in wool or wheat is the place where you can buy these articles from the assembled merchants or dealers. The money market is the place in which you can borrow money. . . .

"Time is thus the distinctive element in the most ordinary and obvious transactions of the money market. . . . Space is the other element which accounts for the rest of the market's operations. Besides giving and taking money down in return for money some day, it is also engaged in giving and taking money here for somewhere else. Hence arises the complicated and difficult mechanism of what is generally called 'exchange', which also becomes a comparatively simple matter where it is clearly expressed and freed from confusing technicalities. . . .

"Monetary transactions may thus be divided into three main divisions:

"(1) Those in which money is exchanged for any kind of commodity or service; ordinary buying or selling operations.

"(2) Those in which money down is exchanged for the promise of money some day; these include all kinds of loan operations, from the discounting of a bill due sixty days hence to an issue of a war loan by the British Government.

"(3) Those in which money here is exchanged for money somewhere else; it will be observed that in all three there is one constant factor, which is money here and now, or cash."

At least one important theory which has been advanced to explain the recurrence of crises and their demoralizing effect upon prices (that of Professor Irving Fisher) is based directly on the rate of interest. In times of rising prices interest like wages tends to advance with comparative slowness—this redounding to the benefit of the borrower, borrowing is thereby greatly stimulated. In time, however, interest overtakes prices, credit thereupon ceases to expand, profits are curtailed, values shrink, suspicion is engendered and a collapse results. Similarly when prices are declining, interest by lagging behind is held to aggravate the depression until prices are again overtaken when the opposite tendency again sets in.

in connection with the every day machinery of business. This includes what are usually termed discounts.*

Money Markets.

Markets for money are to a high degree international. The great money market of the world is London, and the next most important those of Paris and New York. The rates there prevailing are felt throughout the civilized world.‡

In the following statistics, long time loans are represented by rates on the security of city and farm mortgages, the earnings of Loan and Insurance companies, and rates on bonds. Short time loans are indicated by quotations of call loans in Montreal, with which, for purposes of reference, are given the bank, market and commercial rates of London, Paris and New York.

(1) Interest on Long Time Loans.

(a) *City Mortgages*.—From a cost of living standpoint the rate of interest charged on loans secured by mortgage on city house property are obviously important. Table I exhibits the rates which have commonly prevailed since 1896 on loans of this character in the various towns of the Dominion having a population of 10,000 and over. The data were secured by the correspondents of the *Labour Gazette* who were instructed to obtain them from the records of at least three administrators of estates, real estate firms or building and loan societies, engaged in making loans of this character.† The rate in each case is that which would be required in the case of a householder purchasing a home for his own use and able to pay half or more than half of the purchase price in cash, obtaining a loan for the remainder secured by first mortgage on the property purchased.

Tables II and III contain index numbers based on these returns, the first being unweighted and the second weighted according to population.**

*"Most economists, in recent times, have made a fundamental distinction between interest on capital and interest on 'money'. The former we may call loan-interest (or, more briefly, interest) in the general sense of the term, and the latter, from one of its most common forms, we may call discount. We may notice further that interest on capital (in the sense explained) is usually for long periods, whilst discount is relatively for short periods. The distinction may be made clear by an illustration. Suppose that in a time of prosperity, a manufacturer wishes to extend his business, and for the purpose borrows capital by issuing debentures. Those who take up the debentures will, in the first place, advance some kind of 'money', but the money is only the medium for the purchase of machinery, the erection of buildings, and the like. On analysis what is really lent is capital as distinct from money, and the interest on the debentures is interest on capital. On the other hand, suppose that on the eve of a commercial crisis a manufacturer fears that he may be unable to meet his pecuniary engagements. In this case he will endeavour to increase his balance at his banker's by discounting his bills. But so far from wishing to extend his business by increasing the capital employed in it at such a time, he will probably rather think of contracting his business, as he may be suspicious of the solvency of his customers. At any rate, what he needs is 'money' in some form that will suffice to extinguish price monetary obligations." Nicholson, *Principles*.

‡"The money market is, in fact, the most interesting of all markets, because it is world-wide to a greater extent than the market in anything else, with the possible exception of wheat." Hartley Withers, *The Meaning of Money*, 85.

†Registry officers were in a few cases applied to.

**For statement of weights see footnote p. 375.

TABLE I.—INTEREST ON LOANS SECURED BY FIRST MORTGAGE ON CITY HOUSE PROPERTY

Locality.	1896	1897	1898	1899	1900	1901	1902	1903	1904
	%	%	%	%	%	%	%	%	%
<i>Nova Scotia</i> —									
Amherst.....	5-7	5-7	5-7	5-7	5-7	5-7	5-7	5-7	5-7
Dominion.....	6-7	6-7	6-7	6-7	6-8	6-8	6-9	6-9	6-9
Halifax.....	5-6	5-6	5-6	5-6	5-6	5-6	5-6	5-6	5-6
Truro.....	6	6	6	6	6	6	6	6	6
Westville.....	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7
<i>Prince Edward Island</i> —									
Charlottetown.....	6	6	6	6	6	6	6	6	6
<i>New Brunswick</i> —									
Fredericton.....	8	8	8	7	7	7	7	7	6
Moncton.....	6	6	6	6	6	6	6	6	6
St. John.....	5	6	6	5-6	5-6	5-6	5	5	5
<i>Quebec</i> —									
Hull.....	6	6	6	6	6	6	6	6	6
Montreal.....	5	4-5	4½	4½-5	5	5	5	5	5
Quebec.....	6	6	6	6	6	6	6	6	6
Sherbrooke.....					6	6	6	6	6
Sorel.....	5	5	5	5	5	5-6	5-6	5-6	5-6
St. Hyacinthe.....	4	4	4	4	4½	4½	4½	4½	4½
St. John's.....	5	5	5	5	5	5	5	5	5
Three Rivers.....	5	5	5	5	5	5	5	5	5
<i>Ontario</i> —									
Belleville.....	5	5	5	5	5	5½	5½	5½	5½
Berlin.....	5	5	5	5	5	5	5	5	5
Brantford.....	5	5	5	5	5	5	5	5	5
Brockville.....	5	5	5	5	5	5	5	5	5
Chatham.....	5½	5½	5½	5½	5½	5½	5½	5½	5½
Guelph.....	5	5	5	5	5	5	5	5	5
Hamilton.....	5-5½	5-5½	5-5½	5-5½	5-5½	5-5½	5-5½	5-5½	5-5½
Kingston.....					4-5	4-5	4-5	5-5½	5-5½
London.....	5	5	5	5	5	5	5	5½	5½
Niagara Falls.....	6	6	6	6	6	6	6	6	6
Orillia.....	7-6	7-6	7-6	7-6	7-6	7-6	7-6	6-5	6-5
Ottawa.....	5½	5½	5½	5½	5½	5	5	5	5
Owen Sound.....	6	6	6	6	5½-6	5-½6	5½-6	5½-6	5½-6
Peterborough.....	5	5	5	5	5	5½	5½	5½	5½
Port Arthur.....	7	7	7	7	7	7	7	7	7
St. Catharines.....	6	6	6	6	6	6	6	6	6
Stratford.....	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6
St. Thomas.....	5	6	6	5½	5½	5½	5½	5½	5½
Toronto.....	5-5½	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6	6
Windsor.....	5	5	5	5	5	5	5	5	5
Woodstock.....	6	5½-6	5-6	5-6½	5-6	5-6	5-6	5-5½	5¼
<i>Manitoba</i> —									
Brandon.....	7	7	7	7	7	7	7	7	7
Winnipeg.....				5½-6	5½-6	6	6	6	6-6½
<i>Saskatchewan</i> —									
Moose Jaw.....	8	8	8	8	8	8	8	8	8
Prince Albert.....	8	8	8	8	8	8	8	8	7-8
Regina.....	8	8	8	8	8	8	8	8	8
Saskatoon.....								8	8
<i>Alberta</i> —									
Calgary.....	8	8	8	8	8	8	8	8	8
Edmonton.....								8	8
Lethbridge.....	8	8	8	8	8	8	8	8	8
Medicine Hat.....	8-10	8-10	8-10	8-10	8-10	8-10	8-10	8-10	8-10
<i>British Columbia</i> —									
Nanaimo.....	7-8	7-8	7-8	7-8	7-8	7-8	7-8	7-8	7-8
Nelson.....	8-10	8-10	8-10	8-10	8-10	8	8	8	8
Prince Rupert.....									
Vancouver.....									
Victoria.....	4-6	4-6	4-6	4-6	4-6	6	6	6	6

TABLE I.—INTEREST ON LOANS SECURED BY FIRST MORTGAGE ON CITY HOUSE PROPERTY.
—Continued.

Locality.	1905	1906	1907	1908	1909	1910	1911	1912	1913
	%	%	%	%	%	%	%	%	%
Nova Scotia:—									
Amherst.....	5-7	5-7	5-7	5-7	5-7	5-7	5-7	5-7	5-7
Dominion.....	6-9	6-9	6-9	6-9	6-9	6-9	6-9	6-10	6-10
Halifax.....	5-6	5-6	5-6	5-6	5-6	6	6	6	6
Truro.....	6	6½	7	6½	6	6	6	6½	6½
Westville.....	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-8	6-8
Prince Edward Island:—									
Charlottetown.....	6	6	6	6	6	6	6	6	6
New Brunswick:—									
Fredericton.....	6	6	6	6	6	6	6	5	5
Moncton.....	6	6	6	6	6	6	6	6	7
St. John.....	5	6	6	6	6	6	6	6	6-7
Quebec:—									
Hull.....	6½	6½	6½	7	7	7	7	7	7
Montreal.....	4-5	4½-5	5-6	4½-5	5-5½	5½	5½	6	6-6½
Quebec.....	6	6	6	6	6	6	6	6	6
Sherbrooke.....	6	6	6	6	6	6	6	6	6
Sorel.....	5-6	5-6	5-6	5-6	5-6	5-6	5-6	5-6	5-6
St. Hyacinthe.....	5	5	5	5	5	5	5	5	5½
St. John's.....	5	5	5	5	5	5	5	5	6
Three Rivers.....	5	5	5	6	6	6	6	6	6-7
Ontario:—									
Belleville.....	5½	6	6	6	6	6½	6½-7	6½-7	6½-7
Berlin.....	5	5	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6	6-6½
Brantford.....	5	5	5½	6	6	6	6	6	6½
Brockville.....	5	5	6	6	6	6	6	6	6
Chatham.....	6	6	6	6	6	6	6	6	6½-7
Cobalt.....		5	5	5	6	6	6	6	6½
Guelph.....	5½	5½	5½	5½	6	6	6	6	6
Hamilton.....	5-5½	6	6	6	6	6	6	6-6½	6½-7
Kingston.....	5-5½	5-5½	5-5½	5½-6	5½-6	5½-6	5½-6	6	6-7
London.....	5½	5½	5½	5½	6	6	6	6	6
Niagara Falls.....	6	6	6	6	6	6	6	6	6
Orillia.....	6-5	6-5	5-6	5-6	5-6	5-6	5-6	5-6	7
Ottawa.....	5	5½	5½	5½	5½	6	6	6½	7
Owen Sound.....	5½-6	5½-6	5½-6	6	6	6	6-6½	6-7	6½-7
Peterborough.....	5½	6	6	6	6	6	6	6-7	6-7
Port Arthur.....	7	7	7	7	7	7-8	8	8-8½	8-9
St. Catharines.....	6	6	6	6	6	6	6	6½-7	6½-7
Stratford.....	5½-6	5-6	5-6	5-6	5-6	5-6	5½-6	5½-6	6
St. Thomas.....	5½	5½	5½	6	6	6	6	6½	7
Toronto.....	6	6	6-7	6-7	6	6	6	6	6-7½
Windsor.....	5	5	5	5	5-5½	5-6	6	6-7	7-8
Woodstock.....	5½	5½-6	6	6	6	6	6	6	6-7
Manitoba:—									
Brandon.....	7	7	7	7	7	7	7	7	7
Winnipeg.....	6-6½	6-6½	6-6½	6-6½	6½-7	7-7½	8	8	8
Saskatchewan:—									
Moose Jaw.....	8	8	8	8	8	8	8	8	8
Prince Albert.....	7-8	7-8	7-8	7-8	7-8	7-8	7-8	7-8	7-8
Regina.....	8	8	8	8	8	8	8	8	8
Saskatoon.....	8	8	8	8	8	8	8	8-10	8-10
Alberta:—									
Calgary.....	8	8	8	8	8	8	8	8	8
Edmonton.....	8	8	8	8	8	8	8	8	8
Lethbridge.....	8	8	8	8	8	8	8	8	9-10
Medicine Hat.....	8-10	8-10	8-10	8-10	8-10	8-10	8-10	8-10	8-12
British Columbia:—									
Nanaimo.....	7-8	7-8	7-8	7-8	7-8	8	8	8-9	10
Nelson.....	8	8	8	8	8	8	8	8-10	8-10
Prince Rupert.....							10-12	10-12	10-12
Vancouver.....	7-8-9	7-8-9	7-8-9	7-8-9	7-8-9	7-8-9	7-8-9	7-8-9	8-9
Victoria.....	6	6	7	7	7	7	7	7	8

TABLE II.—INTEREST ON CITY MORTGAGES.—INDEX NUMBERS. (Unweighted.)

Province.	1896	1897	1898	1899	1900	1901	1902	1903	1904
Nova Scotia.....	98.5	98.5	98.5	98.5	100.0	100.0	101.4	101.4	101.4
Prince Edward Island.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
New Brunswick.....	95.4	104.5	104.5	100.0	100.0	100.0	95.4	95.4	95.4
Quebec.....	98.4	96.9	96.9	97.7	100.0	101.2	101.2	101.2	101.2
Ontario.....	100.0	102.6	100.9	102.0	100.0	100.5	99.7	101.2	102.0
Manitoba.....	100.0	100.0	100.0	100.0	100.0	102.1	102.1	102.1	104.3
Saskatchewan.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	98.4	98.4
Alberta.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
British Columbia.....	100.0	100.0	100.0	100.0	100.0	102.9	102.9	102.9	102.9
Dominion of Canada.....	99.4	100.8	99.9	100.3	100.0	100.6	100.3	100.9	101.2

TABLE II.—INTEREST ON CITY MORTGAGES.—INDEX NUMBERS. (Unweighted.)—Continued.

Province.	1905	1906	1907	1908	1909	1910	1911	1912	1913
Nova Scotia.....	101.4	103.1	104.7	103.1	101.4	103.2	103.2	107.8	107.8
Prince Edward Island.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
New Brunswick.....	95.4	104.5	104.5	104.5	104.5	104.5	104.5	104.5	117.3
Quebec.....	102.4	103.0	104.9	106.6	107.8	108.5	108.5	109.8	117.5
Ontario.....	102.1	104.4	107.2	108.9	109.6	111.1	112.9	115.9	122.8
Manitoba.....	104.3	104.3	104.3	108.7	108.7	113.0	119.5	119.5	119.5
Saskatchewan.....	98.4	98.4	98.4	98.4	98.4	98.4	98.4	101.5	101.5
Alberta.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	107.4
British Columbia.....	102.9	102.9	109.6	109.6	109.6	111.8	111.8	117.8	131.1
Dominion of Canada.....	101.5	103.1	105.3	106.1	106.4	107.6	108.6	111.2	117.2

TABLE III.—INTEREST ON CITY MORTGAGES.—INDEX NUMBERS.—
(Weighted by population of cities.)

Province.	1986	1897	1898	1899	1900	1901	1902	1903	1904
Nova Scotia.....	98.4	98.4	98.4	98.4	100.0	100.0	101.5	101.5	101.5
Prince Edward Island.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
New Brunswick.....	92.7	107.1	107.1	100.0	100.0	100.0	92.7	92.7	92.7
Quebec.....	99.8	92.0	92.0	95.9	100.0	100.1	100.1	100.1	100.1
Ontario.....	96.4	101.1	100.7	100.5	100.0	99.7	99.6	100.7	102.8
Manitoba.....	100.0	100.0	100.0	100.0	100.0	103.8	103.8	103.8	107.8
Saskatchewan.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	99.3
Alberta.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
British Columbia.....	100.0	100.0	100.0	100.0	100.0	113.5	113.5	113.5	113.5
Dominion of Canada.....	97.9	97.8	97.7	98.8	100.0	100.5	100.3	100.8	102.0

TABLE III.—INTEREST ON CITY MORTGAGES.—INDEX NUMBERS.—
(Weighted by population of cities.)—(Continued.)

Province.	1905	1906	1907	1908	1909	1910	1911	1912	1913
Nova Scotia.....	101.5	102.1	102.7	102.1	101.5	106.5	106.5	109.1	109.1
Prince Edward Island.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
New Brunswick.....	92.7	107.1	107.1	107.1	107.1	107.1	107.1	107.1	117.8
Quebec.....	92.9	96.7	108.2	97.4	105.0	108.8	108.8	116.4	121.2
Ontario.....	102.9	105.7	110.5	111.3	108.1	109.5	110.0	112.4	122.3
Manitoba.....	107.8	107.8	107.8	115.7	115.7	123.5	135.4	135.4	135.4
Saskatchewan.....	99.3	99.3	99.3	99.3	99.3	99.3	99.3	101.8	101.8
Alberta.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	102.5
British Columbia.....	113.5	113.5	128.1	128.1	128.1	129.2	129.2	131.5	149.6
Dominion of Canada.....	99.7	102.5	108.6	106.1	107.2	109.8	111.0	114.7	121.2

It will be seen that from 1896 to 1905 there was little or no change in interest rates. With 1906, however, a steady rise began, continuing for five years. It gathered new momentum in 1912, and 1913 saw a very marked advance.

(b) *Farm Mortgages.*—For the trend of rates of interest on the security of farm mortgages the statistics of Loan Companies have been employed. A considerable number of Loan Companies doing business in Canada are chartered by the Dominion Government and are required to report annually among other things the average rate yielded by mortgages and other securities held. Several loan companies chartered by Provincial Governments make a practice of forwarding their annual statements to the Dominion Department of Finance, which includes these also in their annual reports. The reader will find assembled in Table IV herewith all continuous records since 1900 which these reports contain.

The final result is exhibited in the following index numbers:

AVERAGE RATE YIELDED BY MORTGAGES TO CANADIAN LOAN COMPANIES.

1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
100.0	99.4	98.7	99.7	99.7	100.5	101.7	104.9	106.6	107.4	108.1	110.2	110.6

AVERAGE RATE YIELDED BY OTHER SECURITIES TO CANADIAN LOAN COMPANIES.

1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
100.0	103.3	100.7	99.4	98.6	100.4	102.2	108.5	105.7	105.4	106.2	107.9	112.8

AVERAGE RATE OF INTEREST REALIZED BY CANADIAN LIFE INSURANCE COMPANIES.

The average rate of interest realized by Canadian Life Insurance Companies is shown in the following:

Year.	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
Rate.....	4.60	4.72	4.80	4.85	4.86	4.93	4.98	5.24	5.15	5.56	5.46	5.73	5.90

The above statistics reflect, of course, other conditions than the rate of interest, seeing that they are in each case the net average rate on all operations of the company. It was thought it would be useful to obtain a record direct from each company as to the rate charged from year to year on a typical first mortgage in different sections of the country. The rate desired was that on a first mortgage on farm property otherwise free from encumbrances up to one-half its value. A communication and form was addressed to 110 Loan Companies. Replies suitable for tabulation were obtained from fifty-five of these. The data will be found assembled in Table V herewith.

The results by provinces are shown in the accompanying table of index numbers (Table VI). Two numbers are shown for the Dominion as a whole, one being a simple average of all the rates and the other having been obtained by weighting the numbers for the several provinces according to population. It will be seen that the general tendency has been upward in Ontario and the East, but that the advance is least marked in the West, the latter being due to the fact that rates from the first have been high.*

*On local variations in the rate of interest on mortgage security, Benton (*Crises and Depressions*, p. 242) has the following:

"In the case of many securities, the partiality of investors exerts a considerable influence upon the price. There is a preference for those mortgages and municipal bonds which are near to the great financial centres from which investments are made. The census returns of 1890 show that rates of interest on mortgages are higher almost in proportion to the distance from older and more settled portions of the country. The average rate of interest on real estate mortgages in force in January 1, 1890, in Massachusetts was 5.44 per cent; in New York, 5.49; in Ohio, 6.56; in Iowa, 7.63; in Kansas, 8.68; in Montana, 19.61. This partiality is closely associated with the degree of assurance of safety, but is in a measure distinct from it."

TABLE IV.—ESTIMATED AVERAGE RATE YIELDED BY MORTGAGES AND OTHER SECURITIES TO CANADIAN LOAN COMPANIES, 1900-1912.

ONTARIO.	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
<i>Brantford:—</i>													
Royal Loan and Investment Co.	5.218	5.157	5.12	5.19	5.37	5.50	5.45	5.94	5.98	6.07	6.44	6.47	6.21
<i>Brockville:—</i>													
Brockville Loan and Savings Co.	6.0	6.0	5.75	6.25	6.0	6.37	6.50	7.0	7.0	7.0	7.0	7.0	7.0
<i>Guelph:—</i>													
Guelph & Ontario Investment & Savings Co.	5.156												
(1)		5.169	5.122	5.253	5.48	5.79	6.1065	6.45	6.80	7.024	7.212	7.3172	7.4028
(2)		3.896	3.636	3.612	3.60	3.65	3.769	3.92	3.78	3.722	3.664	3.944	3.9437
<i>Hamilton:—</i>													
Hamilton Provident & Loan Co.	5.89	5.88	5.88	5.92	6.00	6.08	6.22	6.38	6.49	6.78	6.59	6.65	6.68
Landed Banking and Loan Co.	6.293	6.117	6.117	6.079	6.129	6.224	6.276	6.392	6.382	6.429	6.43	6.47	6.522
<i>Kingston:—</i>													
Frontenac Loan & Investment Co.	4.22	4.29	4.28	4.40	4.45	4.93	4.88	4.96	4.94				
(1)							4.76	4.85	4.81	4.85	5.06	5.33	5.44
(2)							5.52	5.56	5.65	5.64	5.53	5.34	6.18
<i>Lindsay:—</i>													
Victoria Loan & Savings Co.	5.996	5.82											
(1)			5.75	5.74	5.69	5.774	5.96	6.09	6.22	6.49	6.78	7.10	7.30
(2)			5.00	5.04	4.86	4.938	5.00	5.32	5.88	5.62	5.75	5.77	5.96
<i>London:—</i>													
Dom. Savings and Investment Co.	5.01		5.33	5.014	5.13	5.32	5.23	5.65	5.88	5.77	5.86	5.90	6.054
Huron Erie Loan & Savings Co.			5.33										
(1)		5.3885	5.2864	5.191	5.197	5.373	5.268	5.359	5.567	5.708	5.918	5.946	6.2485
(2)		3.574	3.820	3.985	3.982	4.050	4.19	4.603	4.881	4.775	4.876	5.002	5.068
London Loan Co.	5.20	5.21	5.32	5.25	5.25	5.37	5.790		5.822	5.906	6.26	6.14	6.53
London & Western Trusts Co.	5.11	5.13											
(1)			5.106	5.279	5.280	5.379	5.434	5.783	5.404	5.49	5.577	5.64	5.935
(2)			5.259	5.183	5.134	5.277	5.399	5.819	5.446	5.44	5.187	5.116	5.388
Ontario Loan and Debenture Co.	5.434	5.388	5.3658	5.3959									
(1)					5.5367	5.7274	5.8711	6.0442	6.2605	6.3819	6.4623	6.3626	6.4667
(2)					4.2136	4.2023	4.1843	4.2055	4.2370	4.2537	4.3436	4.4843	4.7158
People's Bldg. and Loan Association.	8.50	8.50	8.00	8.00	7.89	7.79	7.768	8.121	7.83	7.84	7.725	7.88	
<i>Niagara Falls:—</i>													
Niagara Falls Bld Savings & Loan Association.	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
<i>Oshawa:—</i>													
Ontario Loan and Savings Co.	5.00	5.00	5.00	5.25	5.25	5.25	5.50	5.50	5.50	5.50	5.75	5.75	5.75
<i>Ottawa:—</i>													
Home Bld'g. and Savings Co.					7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20
(1)	7.40	7.50	7.20	7.20									
(2)	6.00	6.00	6.00	6.00									

(1) Mortgages.

(2) Other securities.

TABLE IV.—ESTIMATED AVERAGE RATE YIELDED BY MORTGAGES AND OTHER SECURITIES TO CANADIAN LOAN COMPANIES, 1900-1912.—Continued.

ONTARIO.	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
<i>Owen Sound:—</i>													
Owen Sound Bldg & Savings Co.	6.50	6.50	6.25	6.25	6.25	6.25	6.25	6.25	6.50	6.50	6.50	6.25	6.25
Grey & Bruce Loan Co.	5.00-7.00	4.00-7.00	5.00-6.00	5.00-6.00	5.50	5.50	5.50	5.50	6.16	6.00	6.00	6.00	6.00
<i>Peterborough:—</i>													
Peterborough Work- ingmen's Bldg. & Savings Society	6.00	.....	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Toronto Savings & Loan Co.	5.88	5.88	.....	5.91									
<i>Petrolia:—</i>													
Crown Savings and Loan Co.	5.33	5.20	.....	.....	.....	.....	.....	5.20	5.33	5.33	5.31	5.35	5.42
(1)			5.2	5.2	.....	5.15	5.2						
(2)			4.0	4.88	.....	4.50	4.50						
<i>Port Hope:—</i>													
Midland Loan & Savings Co.	5.70	5.45	5.30	5.31	5.33	5.40	5.55	5.75	5.77	5.658	5.72	5.78	5.88
<i>Sarnia:—</i>													
Industrial Mtge & Savings Co.	5.15	5.05	5.02	5.03	5.10	5.20	5.10	.....	.....	.....	5.25	5.25	5.35
(1)								5.25	5.30	5.25			
(2)								5.50	4.60	4.75			
Lambton Loan & Investment Co.	5.25	5.25	5.20	5.33	5.33	5.33	5.25	.....	5.25	5.25	5.25	5.25	5.25
(1)								5.22					
(2)								4.28					
<i>Stratford:—</i>													
British Mortgage Loan Co.	5.30	5.27	5.15	5.10	5.10	5.109	5.15	5.25	5.39	5.55	5.63	5.71	5.75
<i>St. Catharines:—</i>													
Security Loan & Savings Co.	5.34	5.25	5.15	.....	.....	.....	.....	5.908	.....	.....	.....	6.44	.....
(1)				5.43	5.65	5.66	5.556	.....	6.05	6.08	6.17	.....	6.337
(2)				5.36	5.71	5.82	5.75	.....	4.23	5.32	5.144	.....	5.71
<i>St. Thomas:—</i>													
Southern Loan & Savings Co.	5.44	5.33	5.32	5.25	5.25	5.33	5.33	5.35	5.50	5.59	5.63	5.72	5.80
<i>Toronto:—</i>													
British Canadian Loan & Investment Co.	5.37	5.22	5.16	5.27	5.85	5.85	5.54	5.00	5.00	5.00	5.00	5.00	5.00
Canada Landed & National Investment Co.	6.36	6.37	6.31	6.28	.....	.....	.....	.....	.....	.....	.....	.....	.....
(1)					6.37	6.43	6.516	6.60	6.71	6.69	6.71	6.75	6.76
(2)					5.25	5.32	5.35	5.45	5.47	5.34	5.24	5.16	5.18
Canada Perma- nent Mtge Co.	5.88	5.715	5.89	6.000	6.211	6.0558	6.36	6.55	6.81	6.48	6.5566	6.63	6.87
Colonial Loan & Investment Co.	8.50	8.50	8.50	9.00	9.00	8.714	8.956	8.749	8.56	8.528			
Dominion Perma- nent Loan	.....	.....	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
(1)	9.0	9.0											
(2)	9.50	9.50											

(1) Mortgages.
(2) Other securities.

DEPARTMENT OF LABOUR EXHIBIT

TABLE IV.—ESTIMATED AVERAGE RATE YIELDED BY MORTGAGES AND OTHER SECURITIES TO CANADIAN LOAN COMPANIES, 1900-1912.—Continued.

ONTARIO.	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
<i>Toronto—cont.</i>													
Imperial Loan and Investment Co.	5.40	5.50	5.50	5.75	6.25	6.50	6.75	6.75	6.75	6.75	6.40	6.75	6.75
Imperial Trusts Co.	8.00	8.00	8.00	8.00	5.50	.....	6.00	.....	.....	.....	.....	10.-7.	8.50-6.50
(1).....	.....	.....	.....	.....	.....	5.50	.....	5.25	5.25	6.50	6.50	.....	.....
(2).....	.....	.....	.....	.....	.....	6.50	.....	6.66	6.66	6.25	7.00	.....	.....
London & Canadian Loan & Agency Co.	.....	.....	6.00-	6.00-	6.00-	6.00-	6.00-	6.00-	6.00-	6.00-	6.00-	6.00-	6.00-
(1).....	5.12	5.50	7.00	7.00	7.00	7.00	7.00	8.00	9.00	9.00	9.00	9.00	9.00
(2).....	5.25	5.08	5.25	5.25	5.00	5.00	5.33	6.00	5.50	5.00	5.00	5.00	5.00
National Trust Co.	.....	.....	7.00	6.50	7.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00
(1).....	.....	.....	5.00	5.00	5.00	5.00	5.00	5.25	5.00	5.00	5.50	5.50	5.50
Provident Investment Co.	.....	.....	5.00	5.00	5.00	5.00	5.00	5.062	5.17	5.00	5.00	5.25	5.25
(1).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
(2)*.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Real Estate Loan Co.	6.61	6.23	6.51	6.89	6.91	7.10	7.21	7.35	7.46	7.53	7.50	7.64	7.63
Scottish Ontario & Manitoba Land Co.	6.00	6.00	6.00	6.00	5.0-6.	5.-6.	5.50	6.00	6.00	6.00	6.00	7.00	7.50
Standard Loan C.	9.01	.....	.....	9.00	9.00	.....	.....	.....	.....	7.00	7.00	7.50	7.50
(1).....	.....	.....	7.00	10.00	.....	.....	.....	.....	.....	7.20	7.50	.....	.....
(2).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Sun & Hastings Loan & Savings Co.	10.00	10.0	6.-9.	8.00	8.00	8.00	8.00	10.00	10.00	10.00	10.00	10.00	10.00
Toronto General Trusts Cor.	5.00	5.00	5.00	5.50	5.50	5.72	5.98	6.48	6.58	6.64	6.46	6.57	5.73
Toronto Mortgage Co.	5.00	5.00	5.00	5.00	5.00	.....	5.25	5.50	5.50	5.50	5.50	5.70	5.73
<i>Walkerville:—</i>													
Walkerville Land & Bld'g. Co.	.....	6.37	.....	.....	.....	.....	.....	6.00	6.00	6.00	6.00	6.00	6.00
(1).....	.....	.....	.....	.....	5.292	.....	.....	.....	.....	.....	.....	.....	.....
(2).....	.....	.....	.....	.....	4.097	.....	.....	.....	.....	.....	.....	.....	.....
<i>Woodstock:—</i>													
Oxford Permanent Loan & Savings Co.	5.56	5.515	5.457	5.347	5.292	5.246	5.213	5.24	5.336	5.443	5.52	5.596	5.664
.....	5.065	5.032	5.151	4.32	4.097	4.4995	4.608	5.20	5.517	5.395	5.515	5.801	6.86

(1) Mortgages. (2) Other securities. * Other securities fluctuate.

TABLE IV.—ESTIMATED AVERAGE RATE YIELDED BY MORTGAGES AND OTHER SECURITIES TO CANADIAN LOAN COMPANIES, 1900-1912.—Continued.

ONTARIO.	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912
QUEBEC.													
<i>Montreal:—</i>													
Crédit Foncier, Franco-Canadian			5.33		5.00	5.00	5.25	5.50	6.00	6.00	6.00	6.00	
(1).....		5.33											
(2).....		5.00											
Montreal Loan & Mortgage Co.	6.25	6.25	6.25	6.25	6.25	6.00	6.00	6.20	6.20	6.20	6.20	6.20	6.20
<i>Quebec:—</i>													
Quebec Perma- nent Bldg Society	9.00				6.25								
Société de Prêts et Placement de Quebec.....													
<i>Halifax:—</i>													
Eastern Canada Savings & Loan Co.	6.90	6.85	6.00- 7.00	6.00- 7.00	6.00- 7.00	6.00- 7.00	6.00- 7.00	6.75	6.75	6.75	6.75	7.00	6.75
Eastern Trust Co.													
Nova Scotia Savings													

(1) Mortgages. (2) Other securities.

DEPARTMENT OF LABOUR EXHIBIT

TABLE V.—RATES OF INTEREST, ON FARM PROPERTY, AT WHICH MONEY COULD BE BORROWED FROM LOAN COMPANY ON FIRST MORTGAGE.

Locality.	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905	1906	1907	1908
Reference No. of Company.													
<i>Nova Scotia:—</i>													
1.....	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
2.....	5-6½	5-6½	5-6½	5-6½	5-6½	5-6½	5-6½	5-6½	5-6½	5-6½	5-6½	5-6½	5-6½
3.....	5	5	5	5	5	5	5	5	5	5	6	6	6
4.....							7	7	7	7	7	7	7
5.....					6	6	6	6	6	6	6-7	6-7	6-7
6.....										6.53	6.75	6.63	6.53
<i>Prince Edward Is.:—</i>													
7.....	6	6	6	6	6	6	6	6	6	6	6	6	6½
8.....	6-7	6-7	5-6	5-6	6	6	6	5-6	5-6	5-6	5-6	5-6	6
5.....					6	6	6	6	6	6	6-7	6-7	6-7
<i>New Brunswick:—</i>													
5.....					6	6	6	6	6	6	6-8	6-8	6-8
6.....										6.52	6.75	6.63	6.53
<i>Quebec:—</i>													
8.....	6-7	6-7	65-	5½-6	5-6	5-6	5-6	5-6	5-6	5-6	5-6	5-6	5½-7
9.....	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7	6-7
10.....	5	5	5	5	5	5	5	5	5	5	5	5	5
<i>Ontario:—</i>													
6.....										5.29	5.50	5.72	6.67
8.....	5½-6	5½-6	5-6	5½-6	5-6	5½-6	5½	5½-5½	5½-5½	5-6	5-8	5-8	5½-6½
11.....	5	5	5	5	5	5	5	5	5	5	5	5	6
12.....	6-8	6-8	6-8	6-8	6-8	6-8	6-8	6-8	6-8	6-8	6-8	6-8	6-8
13.....	7-8½	7-8½	7-8½	7-8½	6-8	6-8	6-7	5½-7	5½-7	5½-6½	5½-6½	5-6½	5-6½
14.....	5-5½	5-5½	5-5½	5-5½	5-5½	5-5½	5-5½	5-5½	5-6	5-6	5-6	5-7	5-7
15.....	5.98	5.96	5.63	5.91	5.99	5.85	5.94	6.09	6.50	6.56	6.85	6.93	6.79
16.....	6	6	6	5½	5½	5	5	5	5½	5½	5½	6	6
17.....	5-6	5-6	5-6	5	5	5	5	5	5	5	5	5-6	6
18.....						5.038	4.971	5.041	5.074	5.651	5.186	5.244	5.462
19.....	6	6	5½	5	5	5	5	5	6½	5½	5½	5½	6
20.....	5.72	5.65	5.28	5.18	5.18	5.13	5.09	5.18	5.27	5.33	5.45	5.52	5.70
21.....	5½	5½	5	4¾	5	5	5	5	5	5	5½	6	7
22.....	5	5-5½	5-5½	5	5	5	5	5	5-5½	5-5½	5½	5½	5½-6
23.....	5½	5½	5½	5½	5	5	5	5	5½	5½	5½	5½	5½
24.....	6	6	6	6	6	6	6	6	6	6	5	5	5
25.....	6	6	6	6	5½	5½	5½	5½	5½	5½	5½	6	6½
26.....	6	6	6	6	6	6	6	6	6	6	6	6	6
27.....	5-5½	5	5	5	5	5	5	5	5-5½	5-5½	5-5½	5-6	5-6
28.....	5	5	5	5	5	5	5	5	5	5-5½	5-5½	5½-6	5½-6
29.....	5½-6	5½-6	5-5½	5	5	5	5	5	5-5½	5-5½	5-5½	5-5½	5½-6
30.....	5½-5½	5-5½	5-5½	5	5-5½	5	5	5	5-5½	5-5½	5-5½	5½	6
31.....	5-5½	5-5½	5-5½	5	5	5	5-5½	5-5½	5-5½	5-5½	5-5½	5-5½	5½-6
32.....	6	6	5½-6	5-6	6	5-6	6	6	6	6	6	6	6
33.....	5.50	5.50	5.75	5.30	5.50	5.05	5.50	5.00	5.20	5.30	5.30	5.25	5.50
34.....	5-6	5-6	5-6	5-6	5-6	5½-6	5-6	5-5½	5-6	5-6	5-6	5½-6	5½-6
35.....	6½	6½	6	6	5½	5½	5½	5½	5½	5½	5½	5½	5½
36.....	5	5	5	5	5	5	5	5	5	5	5	5-6	5-6
37.....	9½	9½	10½	9½	9	9	8¾	8¾	8¾	7½	7½	7½	7½
38.....	6-6½	6-6½	6-6½	6	6	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6	5½-6	6-7
39.....				5-5½	5	5	5	4½-5	5	5	5-5½	5½-6	5½-6

TABLE V.—RATE OF INTEREST, ON FARM PROPERTY, AT WHICH MONEY COULD BE BORROWED FROM LOAN COMPANY ON FIRST MORTGAGE.

Locality.	1909	1910	1911	1912	1913	Remarks.
Reference No. of Company.						
Nova Scotia:—						
1.....	7.00	7.00	7.00	7½	7½	Instalment mortgages only.
2.....	5-6½	5-6½	5-6½	5-6½	5-6½	Company makes few loans.
3.....	6	6	6	6	7	
4.....	7	7	7	7	7	Loans are repayable in annual instalments.
5.....	6-7	6-7	7-8	7-8	7-8	
6.....	6.69	6.58	6.83	6.85	7.21	
Prince Edward Is.:						
7.....	6½	6½	6½	8	8	
8.....	6	6	6	6	6	Loans are repayable in annual instalments.
5.....	6-7	6-7	7-8	7-8	7-8	
New Brunswick:—						
5.....	6-8	6-8	7-8	7-8	7-8	Loans repayable in annual instalments.
6.....	6.69	6.58	6.83	6.85	7.21	
Quebec:—						
8.....	5½-7	6-7	6-7	6-7	6½-7	
9.....	6-7	6-7	6-7	6-7	6-7	Capitalized reimbursements by monthly instalments.
10.....	5	5	5	5	5	
Ontario:—						
6.....	5.50	5.67	5.50	5.94	6.15	
8.....	5½-6	5½-6	6-8	6	6½-8	
11.....	6	6	6	6½	6½-7½	
12.....	6-8	6-8	6-8	6-8	6-8	Includes agent's commission of 1 per cent.
13.....	5-6	5-6	5-6	5-6	6-7	Company did not loan in 1913. Private parties obtained from 6-7.
14.....	5½-6	5½-6	5½-6	6	6	Average rate obtained.
15.....	6.68	6.73	6.73	6.67	7.07	This Company lends 50% of cash value on improved farm property, term of 5 years. Mortgagor has right to repay portion in yearly payments.
16.....	5½	6	6	6	6½-7	
17.....	6	6	6	6	6	
18.....	5.511	5.540	5.600	5.710	5.882	
19.....	5½	6	6	6	6½	Average rate.
20.....	5.80	5.86	5.92	5.98	6.57	
21.....	5½	5½	6	7	7½	
22.....	5½	5½	5½	5½-6	6-6½	Western Ontario.
23.....	5½	5½	5½	6	6½	
24.....	5	5	5	5	5	
25.....	6	6	6	6½	7	For members of the Society only.
26.....	6	6	6	6	6	Rates on good farm lands
27.....	5-6	5-6	5-6	5-6	6	For term of 5 years payable, with yearly instalment of principal.
28.....	5½-6	5½-6	5½-6	6	6	
29.....	5½-6	5½-6	5½-6	5½-6	6	
30.....	5½	5½	5½-6	5½-6	6	
31.....	5½	5½	5½-6	5½-6	6	
32.....	6	6	6	6-7	7	
33.....	5.60	5.60	5.75	6.00	6.50	Average rate on farms.
34.....	5½-6	5-6	5-6½	5-6½	6	Mortgage of ½ of purchase price, for 5 years. 10% payable each year, with interest.
35.....	5½	6	6	6½	6½	
36.....	5-6	5-6	6	6	7	
37.....	7½	7½	7½	7½	7½	Good farm property.
38.....	6-7	6-7	6-7	6½-7	6½-7	Mortgage is drawn for 5 years. Payment of principal each 6 months, balance payable in 5 years.
39.....	5½-6	5½-6	5½-6	6	6-7	

TABLE V.—RATE OF INTEREST ON FARM PROPERTY, AT WHICH MONEY COULD BE BORROWED FROM LOAN COMPANY ON FIRST MORTGAGE.—Continued.

Locality.	1909	1910	1911	1912	1913	Remarks.
Reference No. of Company.						
<i>Ontario—Cont'd.</i>						
40.....	6	6	6	6	6	Mortgage of ½ of value of farm, repayable in annual payments of principal and interest.
41.....	5½	5½	5½	5½	6	
<i>Manitoba:—</i>						
6.....	7.05	6.83	7.03	6.95	7.03	Mortgage for 5 years at 50% of cash value, repayabl. in yearly instalments.
8.....	6-8	6½-7	6½-7½	6½-7½	7-8	
11.....	8	8	8	8	9-10	
14.....	6½-8	6½-7	7	7-8	7-8	
16.....	7-8	7-8	7-8	7-8	7-8	
23.....	7	7	7	7	7½	
34.....	7-8	6-8	7-8	6-8	7-9	
36.....	7	7	7	7	8	
38.....	7-9	7-9	7-9	8-9	8-9	
39.....	6-8	6½-8	7-8	7-8	7-8	
Higher rates are charged in the newer districts where inspection expenses are greater.						
42.....	8	8	8	8	8	Higher rates are charged where the amount is small and cost of looking after loan is greater.
43.....	8	8	8	8	8	
44.....	6½-8	6½-8	6½-8	6½-8	6½-8	
45.....	6-7	6-7	6-7	6-7	7-8	
46.....	7	7	7	7	7	Higher rate is charged in new sections.
47.....	7	7	7	7	7-8	
Good farm lands.						
<i>Saskatchewan:—</i>						
6.....	7.82	8.03	7.99	8.13	8.10	Good farm property.
8.....	8	8	7½-8	8	8	
11.....	8	8	8	8	9-10	
14.....	8	8	8	8	8	
23.....	8	8	8	8	8½	
34.....	8-9	7-8	7-8	7½-8	8-9	
36.....	8	8	8	8	8	
38.....	7-9	7-9	7-9	8-9	8-9	
39.....	8	8	8	8	8	
43.....	8	8	8	8	8	
44.....	8-9	8-9	8-9	8-9	8-9	
High rate is charged when cost of looking after the Mortgage is greater.						
45.....	7-8	7-8	7-8	7-8	7-8	Good farm property.
46.....	8	8	8	8	8	
48.....			8	8	8-9	
49.....			8	8	8	
50.....	8	8	8	8	8	
<i>Alberta:—</i>						
6.....	7.47	7.26	7.64	7.67	7.90	Higher rate when inspection expenses are greater.
8.....	8	7-8	7½-8	8	7½-8	
11.....	8	8	8	8	9-10	
14.....	8	8	8	8	8	
34.....	8-9	8-9	8	8-8½	8-8½	
36.....	8	8	8	8	8	
39.....	8	8	8	8	8	
43.....	8	8	8	8	8	
44.....	8-9	8-9	8-9	8-9	8-9	
46.....	8	8	8	8	8	
51.....	8	8	8	8	8	
52.....	8-9	8-9	8-9	8-9	8-9	
53.....	7-8	7-9	8-10	8-10	9	
<i>British Columbia:—</i>						
6.....	7.25	7.02	7.02	6.97	7.39	Higher rate when inspection expenses are greater.
8.....	7	7½	8	7-8	8	
54.....	8	7	7	7	8	
55.....	6-8	6-8	6-8	7-8	7-8	

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TABLE VI.—INDEX NUMBERS OF INTEREST ON FARM MORTGAGES.—(Unweighted.)

Province.	1896	1897	1898	1899	1900	1901	1902	1903	1904
Nova Scotia.....	100.0	100.0	100.0	100.0	100.0	100.1	100.0	100.0	100.0
Prince Edward Island.....	103.1	104.1	95.8	95.8	100.0	100.0	100.0	97.2	97.2
New Brunswick.....					100.0	100.0	100.0	100.0	100.0
Quebec.....	106.0	106.0	100.0	101.5	100.0	100.0	100.0	100.0	100.0
Ontario.....	105.7	105.6	103.7	101.1	100.0	99.1	98.6	98.4	100.3
Manitoba.....	99.8	99.8	98.4	98.4	100.0	100.0	100.0	100.2	99.3
Saskatchewan.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Alberta.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	101.4
British Columbia.....	106.2	106.2	106.2	100.0	100.0	97.7	95.6	95.6	93.6
Dominion of Canada.....	105.9	103.9	101.9	102.2	100.0	99.5	99.3	99.2	99.8

TABLE VI.—INDEX NUMBERS OF INTEREST ON FARM MORTGAGES.—(Unweighted.)—Continued.

Province.	1905	1906	1907	1908	1909	1910	1911	1912	1913
Nova Scotia.....	100.0	105.3	104.9	104.7	105.1	105.8	109.9	109.5	113.8
Prince Edward Island.....	97.2	99.9	99.9	105.5	105.5	105.5	111.1	119.4	129.6
New Brunswick.....	100.0	110.0	109.1	108.3	109.6	108.7	114.8	115.0	117.8
Quebec.....	100.0	100.0	100.0	104.5	104.5	106.0	106.0	106.0	110.1
Ontario.....	101.2	102.0	105.3	108.7	106.5	106.7	108.3	111.1	118.5
Manitoba.....	100.0	101.7	102.6	104.1	101.2	101.2	101.4	101.8	107.0
Saskatchewan.....	100.0	100.0	101.7	101.5	101.8	100.9	100.9	101.9	104.4
Alberta.....	101.4	101.8	101.7	101.6	101.1	101.2	102.6	103.4	105.4
British Columbia.....	93.6	98.5	96.6	101.0	99.8	95.6	95.6	97.6	103.9
Dominion of Canada.....	100.3	101.8	103.3	105.2	103.8	103.5	105.1	106.9	112.0

INTEREST ON FARM MORTGAGES.—INDEX NUMBERS FOR DOMINION.—(Weighted by population of provinces.)

	1896	1897	1898	1899	1900	1901	1902	1903	1904
Dominion of Canada.....	104.2	104.2	101.5	100.7	100.0	99.5	99.2	99.1	99.7

INTEREST ON FARM MORTGAGES.—INDEX NUMBERS FOR DOMINION.—(Weighted by population of provinces.)—Continued.)

	1905	1906	1907	1908	1909	1910	1911	1912	1913
Dominion of Canada.....	100.1	101.6	102.8	105.6	104.6	104.8	106.1	107.5	112.7

Interest Paid on Canadian Government Loans, 1900-1913.

Table VII gives the details of the various permanent loans made by the Governments of the Dominion and of the several provinces since 1900. The final column shows the net earning power of each loan at date of issue. There

TABLE VII.—PERMANENT LOANS OF CANADIAN GOVERNMENTS, 1900-1913.

	Year of Issue	Year of Maturity	Amount	Place of Issue	Price	Interest	
						On par Value	Net
Dominion of Canada..	1907	1912	£1,500,000	London...		4 %	4.796
"	1908	1930 or 1950	£3,000,000	London...		3½%	3.704
"	1908	1912	£5,000,000	London...		3¾%	4.298
"	1908	1930 or 1950	£5,000,000	London...		3½%	3.783
"	1909	1914 or 1919	£6,000,000	London...		3¾%	4.125
"	1909	1930 or 1950	£6,500,000	London...		3½%	3.844
"	1910	1930 or 1950	£4,000,000	London...		3½%	3.842
"	1910	1930 or 1950	£5,000,000	London...		3½%	3.703
"	1910	1930 or 1950	£5,000,000	London...		3½%	3.8
"	1912	1930 or 1950	£5,000,000	London...		4 %	4.2
"	1913	1940 or 1960	£3,000,000	London...		4 %	4.352
"	1913	1940 or 1960	£4,000,000	London...		3 %	3.12
Nova Scotia.....	1899	1949	£ 164,000	London...	96	3 %	
"	1902*	1922	£ 425,000	Halifax...	*	2 %	
"	1904	1954	£ 650,000	London...	94	3½%	3.73
"	1905	1945	£ 138,698	London...	100	3½%	3.5
"	1906	1946	£ 62,465	London...	100	3½%	3.5
"	1913	1942	£ 180,400	London...	100	3½%	3.5
Prince Ed. Island.....	1900	1930	\$ 48,000			4 %	
"	1908	1938	\$ 40,000		\$150,000 at 100	4 %	4.
"	1909	1939	\$ 500,000		\$350,000 at 95	4 %	4.21
"	1911	1941	\$ 10,000		100	4 %	4.
Quebec.....	1897		\$1,360,000	Montreal...	90	3 %	3.33
"	1913		\$1,949,586	London...	102	4½%	4.41
Manitoba.....	1900	1930	\$ 200,000	Chicago....	104½	4 %	3.83
"	1900	1930	\$ 300,000	Montreal...	104½	4 %	3.83
"	1901	1930	\$ 349,000		100	4%	4.
"	1907	1947	\$ 500,000	Montreal...	92	4 %	4.36
"	1907	1947	\$3,399,853		100	4 %	4.
"	1908	1947	\$ 500,000	Montreal...	97-98½	4 %	4.1
"	1909	1949	\$ 761,633		99.5	4 %	4.
"	1910	1950	£1,000,000	London...	100½	4 %	4.
"	1911	1950	£ 375,000	London...	100½	4 %	4.
"	1912	1950	£ 540,000	London...	100½	4 %	4.
"	1913	1953	£ 400,000		99	4½%	4.5
Saskatchewan.....	1909	1949	£ 410,900	London...	99	4 %	4.04
"	1910	1951	£1,000,000	London...	101	4 %	3.95
"	1913	1923	£1,000,000	London...	96	4 %	4.16
"	1914	1919	£1,000,000	London...	96½	4½%	4.66
Alberta.....	1908	1938	\$2,000,000	London...	99½	4 %	4.02
"	1912	1922	\$4,866,666	London...	97	4 %	4.11
"	1913	1943	\$4,866,666	London...	95	4½%	4.44
"	1913	1923	\$3,600,000	New York...	96.10	4½%	4.68
"	1913	1923	\$2,400,000	New York...	96.10	4½%	4.68
"	1913	1923	\$2,400,000	New York &	97½	4½%	4.61
British Columbia.....	1913	1923	\$5,000,000	London...		3½%	3.5
"	1899	1937	\$ 671,000	Victoria....	100	3 %	3.12
"	1899	1941	\$1,649,000	London...	96	3 %	3.26
"	1902	1941	\$3,496,850	London...	92	3 %	3.26
"	1914	1941	\$7,275,000	London...	99	4½%	4.54

*Issued in connection with the Nova Scotia Central Railway; delivered at par to the bank in payment of claim against railway.

has been an unmistakable rise in the rate of interest demanded by lenders on these first class securities.*

Yields of Government Bonds of Various Nations.

A world-wide view of the same tendency is afforded by Table VIII, which shows the interest yield of the Government Bonds of various nations at current prices from year to year since 1900. The Bonds are those included in Chapter III of the preceding section. The rate of interest according to this test rose 8.7 per cent in 1912 and 1913, having been low until the former year.

TABLE VIII.—APPROXIMATE YIELDS OF GOVERNMENT BONDS AT CURRENT PRICES, 1900-1913

Country	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
Canada, 3%.....	2.97	2.98	2.93	2.95	3.09	3.04	3.05	3.09	3.14	3.27	3.28	3.27	3.32	3.56
United Kingdom, Consols, 2½%.....	2.55	2.64	2.64	2.74	2.84	2.79	2.83	2.96	2.91	2.98	3.08	3.15	3.28	3.40
India, 3%.....	2.96	3.01	2.98	3.04	3.10	3.09	3.17	3.40	3.32	3.49	3.64	3.68	3.80	3.96
China, 4½%.....	5.37	5.41	4.95	4.86	5.05	4.62	4.56	4.63	4.59	4.48	4.45	4.46	4.72	4.87
Austria, 4%.....	4.15	4.03	3.94	3.93	3.98	3.97	4.01	4.11	4.09	4.10	4.08	4.09	4.20	4.48
Brazil, 4%.....	6.32	6.02	5.56	5.21	5.18	4.61	4.55	4.89	4.32	4.77	4.46	4.52	4.62	4.97
Cape of Good Hope, 3%.....	3.19	3.17	3.16	3.35	3.49	3.45	3.54	3.62	3.62	3.49	3.45	3.48	3.55	3.72
New Zealand, 3%.....	3.09	3.09	3.15	3.27	3.41	3.42	3.36	3.45	3.39	3.45	3.45	3.48	3.56	3.84
Argentina, 5%.....	5.14	5.24	5.29	5.01	4.86	4.87	4.87	4.90	4.86	4.81	4.82	4.83	4.84	4.88
Russia, 4%.....	4.03	3.98	3.96	3.97	4.30	4.49	5.09	5.27	4.71	4.55	4.26	4.21	4.30	4.45
Japan, 4%.....	5.02	5.15	4.73	4.68	5.51	4.62	4.43	4.71	4.84	4.45	4.25	4.40	4.70	4.94
Germany, 3%.....	3.49	3.39	3.29	3.32	3.37	3.38	3.46	3.61	3.64	3.53	3.60	3.63	3.78	4.35
France, Rentes, 3%.....	3.00	2.97	3.00	3.06	3.09	3.04	3.09	3.18	3.03	3.09	3.08	3.16	3.25	3.09
Hungary, 4%.....	4.15	4.03	3.95	3.95	4.00	4.06	4.19	4.28	4.28	4.22	4.21	4.26	4.42	5.38
United States, 4%.....	2.98	2.89	2.91	2.95	3.01	3.03	3.07	3.14	3.32	3.38	2.98	3.48	3.51	3.56
Average.....	3.89	3.86	3.76	3.75	3.88	3.76	3.82	3.95	3.87	3.87	3.80	3.87	3.99	4.23
Index Number.....	100.0	99.2	96.6	96.3	99.8	96.6	98.2	101.5	99.5	99.5	97.7	99.5	102.6	108.7

Rates on Bank Accommodation.

No official record was kept until recently of the average rate at which loans were made or paper discounted by Canadian banks. An inquiry was accordingly directed to the general managers of the twenty-four Canadian banks asking if information were available that would show fluctuations in these rates since 1896, care being taken to insure that the basis of quotation was unchanged from year to year. Replies were received from twenty-two banks, eighteen of which sent interesting information on the subject. In eight cases statistical records were given. These are reproduced in Table IX with an index number which shows a rise of about 9.5 per cent since 1900.

*In his recent *Capital Investments in Canada* (pp. 64-65), Mr. F. W. Field asserts that "the yield of bonds to the investor has been steadily decreasing over a period of years. That period almost exactly corresponds to the time in which the price of commodities has been advancing." In more definite terms Mr. O. H. Burgess in the *Monetary Times* of January, 1913, points out that, since 1900, Provincial Bonds have advanced from an average of 3.56 per cent to an average of 4.40 per cent, bonds of large cities and countries from 3.81 to 5.38 per cent, large towns and townships from 4.06 to 6.25 per cent, and village bonds from 4.19 to 6.63 per cent. Increased commodity prices have compelled the investing classes to look for higher rates of interest on securities, with the consequence that the yield rates on bonds have had to increase. This fact is further illustrated in the prices of British Consols.

The following statements of a general nature were also received:

(1) "Six per cent on good business accounts that yield an indirect profit, 7 per cent upon ordinary business accounts, with occasional charges of about 8 per cent on isolated transactions, have been the rates which have prevailed throughout the Dominion over the period mentioned. These rates have not been confined to any particular district and I think you may safely take these particulars as common to all banking institutions."

(2) "The average rate has fluctuated between 8 and 8½ per cent, with a downward tendency in recent years."

(3) "The prevailing rate charged on loans and paper discounted from 1896 to 1914 was 6 per cent."

(4) "*Commercial Loans and Discounts in Ontario*—present average about 6½ per cent. This average has not varied materially during the past number of years.

"*Call Loans*—average about 6 per cent. We think this average has obtained during the past eight or ten years.

"*Commercial Loans in the Prairie West*—an average of 7 per cent has been maintained for the past five or six years."

(5) "There has been no pronounced tendency either upwards or downwards continuously in interest rates since 1896. There have been temporary fluctuations from time to time, but such changes in business of any given class and quality would not exceed, we think, 1 per cent. They are governed, of course, by general monetary conditions in the country, and there has been no striking change in these, with the exception, say, of the tight money period of 1907 and the one at present with us."

(6) "The change that has taken place in the average rate of interest at which straight loans have been made and trade papers discounted, covering the period you mention, is infinitesimal."

(7) "Rates of interest charged on any one day vary according to the standing of the customer and the nature of the borrowing. They also vary according to the conditions prevailing at the time. When there is a continued period of dullness with light demand for money a customer of first class standing can obtain his money at moderate rates, say, 5½ per cent, and in exceptional cases even as low as 5 per cent. With an average demand for money the same customer's ordinary rate would be 6 per cent. In a period of stringency it might be as high as 7 per cent. A customer of ordinary means and standing would have to be satisfied with rates ranging according to conditions from 6 to 7 per cent, or even a little stiffer than 7 per cent at certain times if his business called for much renewing. This does not relate to loans to brokers and others against stock exchange collateral, which are largely regulated by the open market rates for such business, but to loans and discounts to business and accommodation borrowers.

"Rates vary also according to locality. West of the Great Lakes, I should consider that rates are about 1 per cent higher owing to higher cost of conducting branches there.

"This bank does not distinguish in its registers between purely trade paper and accommodation paper, so as to be able to give separate rates for discounts of trade paper and for accommodation paper or loans.

"Periods of ease and stringency can be located without difficulty by examining published records of call and time money rates, and prices for first class bonds. During a long period of ease bond prices rise; when money begins to be scarce and dear bond prices fall; and during periods of extreme stringency the prices fall sharply. These periods more or less affect the commercial borrower in the manner indicated."

(8) "The rate of interest shows little or no variation from year to year, and averages say 7 per cent for the Western branches, as against 6 per cent for the East. These figures would cover the full period under review."

(9) "Speaking generally, the rates of interest and discount, with the exception of abnormal periods, have been practically as follows:

"For lines of credit for large amounts to corporations and large firms of undoubted standing, and where the money could be readily called at any time, 6 per cent.

"First class accounts, 7 per cent.

"Small accounts and farmers' paper generally, 8 per cent.

"The foregoing rates will apply very generally during the period covered, and in spite of the increased costs of living and doing business, the rates of interest have not been correspondingly increased by the banks generally. Of course for small transactions and under exceptional circumstances, the rates may vary a little from the foregoing and a higher rate may have been charged in individual cases to cover the increased cost of collection, but the rates quoted may be taken as a basis, and apply particularly to Western Canada. In Eastern Canada there would be a larger proportion of business at the lower rates, and while there is not much difference in the rate on first class accounts, I would say that on general business there would be a difference of, say, 1 per cent, the cost of doing business at isolated points in the West being considerably higher than in Eastern Canada."

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(10) "The rates of interest have been decreasing on farmers' paper. The majority of the farmers worthy of credit are to-day borrowing at about 8 per cent; small loans and undesirable loans are bringing a little better rate of interest, but very little money is loaned at any greater rate of interest than 10 per cent, while a few years ago in some districts the rate for practically everything was 10 per cent."

(11) "Our average rate has varied from 6 per cent to 8 per cent all through the years."

(12) "Rates for money, secured by first class mortgages, may be regarded as a better index of money rates than bank rates for discounting commercial paper where quality influences the rate apart from considerations of supplies of money."

(13) "Money for even the same class of business is not always lent at the same rate. The financial position of the borrower, the term for which it is wanted, and the purpose for which it is required, would all enter into the question of rate."

TABLE IX.—RATES ON BANK ACCOMMODATION, CANADA, 1896-1914.

Reference Number	1896	1897	1898	1899	1900	1901	1902	1903	1904
A (1) Toronto.....	4½-5½	4½-5½	5-6	5-6	5½-6	5-6	5-6	6	5½-6
Winnipeg.....	5½	5½	5½	5½	5½	5½	5½	5½	5½
B (2).....								5.34	5.62
C { Toronto.....	5½	5½	5½	5½	5½	5½	5½	5½	5-5½
Winnipeg.....	7-8	7-8	7-8	7-8	7-8	7-8	7-8	7-6½	7-6
D (3).....	7.00	7.00	6.70	6.75	6.66	6.68	6.48	6.87	6.46
E.....									
F (4).....	5.627	5.51	5.18	5.14	5.22	5.05	5.13	5.21	5.23
G. {	First class manufacturing account.....				5½	5½			
	First class wholesale accounts: (1).....				6.00				
	(2).....								
	First class western grain: (1).....								
	(2).....								
	First class retail accounts: (1).....				6.00	6.00	6.00	6.00	6.00
(2).....				6.00					
(3).....				6.00					
Index Number.....	100	99.6	99.6	99.7	100.2	98.7	99.5	101.1	100.0

Reference Number	1905	1906	1907	1908	1909	1910	1911	*1912	1913	1914	
A (1) { Toronto.....	5½-6	5½-6	6½-6	6½-6	6.00	5½-6	6.00	6.00	6½	6½	
Winnipeg.....	5½	7.00	7.00	6½	6.00	6.00	6.00	6.00	6.00	6½	
B (2).....	5.48	5.5	6.1	6.15	5.88	5.77	5.9	5.93	6.00	6.00	
C { Toronto.....	5-5½	5½	6½-6	6.00	5-6	5½-6	6.00	6.00	6.00	6.00	
Winnipeg.....	7-8	7-8	7.00	7.00	7-6½	7.00	7.00	7-6½	7.00	7.00	
D (3).....	6.39	6.44	6.34	6.45	6.23	6.66	6.94	6.76	6.00	6.28	
E.....											
F (4).....	5.15	5.42	5.53	5.73	5.45	5.45	5.64	5.69	5.94	6.00	
G. {	First class manufacturing account.....				6.00	5½					
	First class wholesale accounts: (1).....				6.00	5½		6.00			
	(2).....								6.00		
	First class western grain: (1).....		6.00			5½	6.00			6½	7.00
	(2).....									6½	7.00
	First class retail accounts: (1).....	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
(2).....									6½		
(3).....									6½		
Index number.....	99.6	102.5	106.3	104.3	100.8	101.7	102.3	103.8	107.6	109.5	

*First figure, loans, second figure, discounts; single figures, loans and discounts.
 (1) "Largely estimated. In Eastern Canada from 1896 to the present time the average yearly rate was 6% in western Canada from ½ to 1% higher."
 (2) Average earned on all loans and discounts.
 (3) Ontario.
 (4) Average rate earned on loans and discounts.

(2) Interest on Short Term Loans.

The accompanying tables (Tables X, XI, XII, XIII, XIV, XV, XVI and XVII) explain themselves. They show respectively the call money rates prevailing on the first of each month at Montreal, New York, and London, and the bank and market rates of discount respectively at London and Paris. It may be added that there is no call loan market in Canada corresponding to that of New York or London, the rate varying frequently as between one bank and another; the rates shown in the table are averages of those quoted by the several banks as recorded by the *Montreal Chronicle*.*

TABLE X.—CALL MONEY RATES AT MONTREAL, 1900-1913.

(Quotations from *Montreal Chronicle*.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	6.00	5.19	5.00	6.00	5.40	5.00	5.50	6.00	6.00	4.20	5.00	5.75	5.25	6.50
February.....	5.63	5.06	5.00	5.63	5.38	4.63	5.13	6.00	6.00	4.00	5.00	5.75	5.25	6.25
March.....	5.50	4.85	5.00	5.63	5.00	4.70	5.00	6.00	6.00	4.00	4.69	5.45	5.25	6.25
April.....	5.44	4.88	5.00	6.00	5.00	4.50	5.28	6.00	6.00	4.00	5.00	5.25	5.25	6.25
May.....	5.89	5.00	5.00	6.00	5.00	4.50	5.89	6.00	5.80	4.00	5.13	5.31	5.10	6.25
June.....	5.80	5.00	5.00	5.81	5.00	4.50	5.70	6.00	5.75	4.00	5.38	5.50	5.00	6.25
July.....	5.50	5.00	5.00	5.75	5.00	4.50	5.25	6.00	5.85	4.00	5.50	5.50	5.00	6.25
August.....	5.30	4.85	5.00	5.63	5.00	4.50	5.50	6.00	5.25	4.00	5.50	5.64	5.00	6.25
September.....	5.00	4.75	5.38	5.50	5.00	4.50	5.63	6.00	5.00	4.00	5.30	5.75	5.50	6.25
October.....	5.00	4.88	6.00	5.40	5.00	4.88	6.00	6.00	4.95	4.35	5.13	5.38	6.00	5.75
November.....	5.00	5.00	6.00	5.50	5.00	5.38	6.00	6.00	4.56	5.00	5.63	5.25	6.00	6.31
December.....	5.00	5.00	6.00	5.50	5.00	5.50	6.00	6.00	4.50	5.00	5.75	5.25	6.13	6.50
Average.....	5.42	4.96	5.28	5.70	5.07	4.76	5.57	6.00	5.47	4.21	5.25	5.48	5.39	6.26
Index No.....	100.	91.5	97.4	105.2	93.5	87.8	102.8	110.7	100.9	77.7	96.9	101.1	99.4	115.5

*"Bank" and "Market" discount rates are thus defined by Mr. Hartley Withers (*The Meaning of Money*, 223-5):

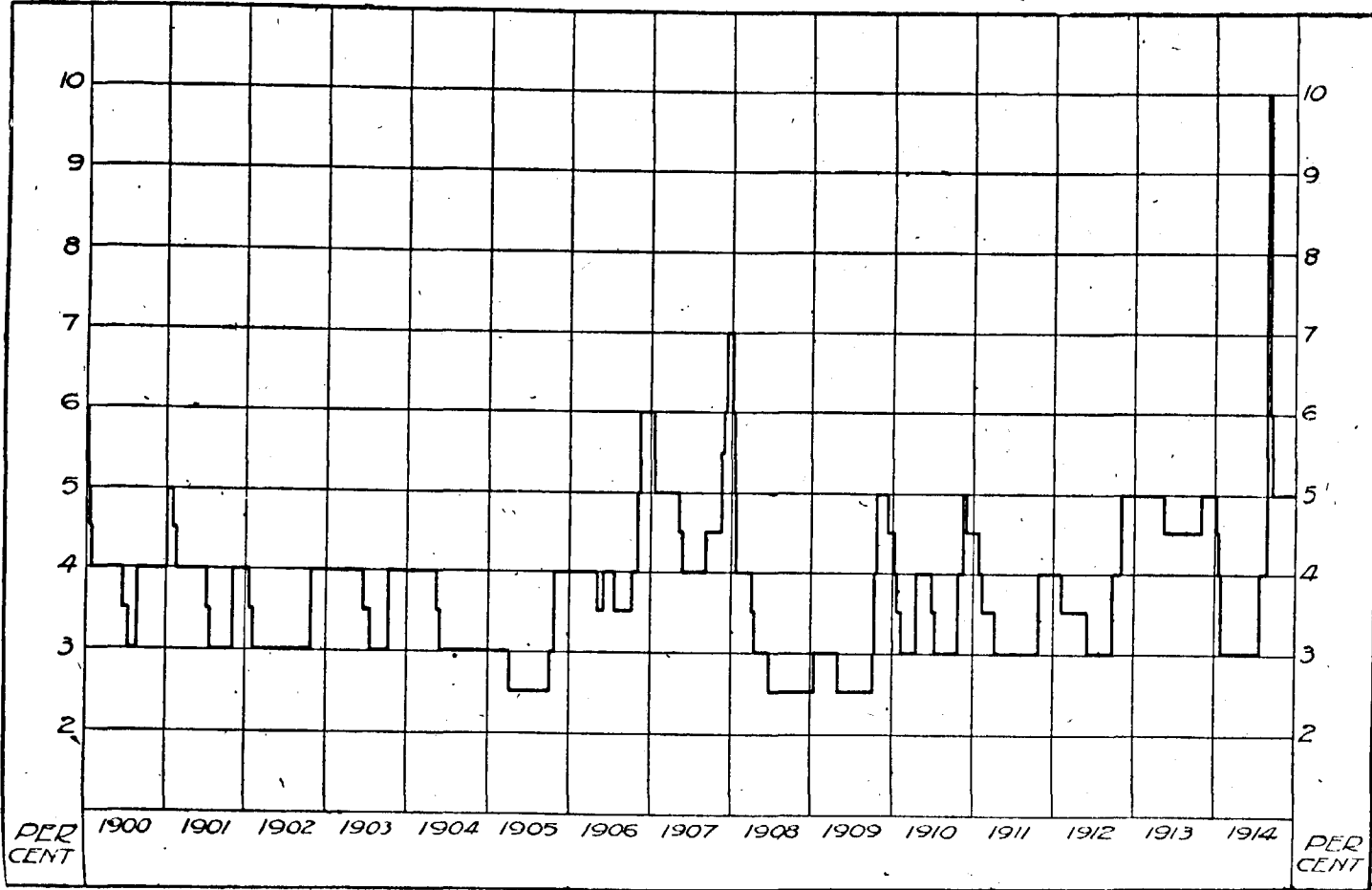
"Bank rate is the official minimum rate at which the Bank of England will discount bills. It differs from the market rate of discount in that it is normally higher, and in that it is not a constantly fluctuating rate, shifting with the supply of and demand for bills, but is fixed and announced every Thursday morning at a special meeting of the Bank court, and except under most unusual circumstances is not changed on any other day.

"The market rate is at most times practically arrived at by competition among the other banks and higgling between them, the bill-brokers, and the sellers of the bills; and hence it follows that it is ruled by mere haphazard cross-currents of individual conceptions on the subject of any particular business proposition that may come forward, and is not directed by the guidance of any consideration for the welfare of the market and of the monetary world as a whole.

"The market rate of discount depends, on the one hand, on the supply of money, and, on the other, on the supply of bills of exchange which come forward to be turned into money. We have already examined the chief parts of the machinery which creates and handles money and bills of exchange—the banks, bill-brokers, and accepting houses—and we found that in normal times the supply of money and the level of discount rates are regulated by the banks. . . .

"This market rate of discount is an even more momentous matter than the market rate for money, because it has a very important bearing on the foreign exchanges. The importance, in fact, of the market rate for money arises largely out of its effect on the market rate of discount; if the bill-brokers are supplied freely with money at low rates, and think that they see a probability of the continuance of this free and cheap supply of credit, they are naturally encouraged to discount bills at low rates, so that the banks which regulate the money rate thus exercise a strong and direct influence on the discount rate."

THE BANK RATE OF DISCOUNT, LONDON, 1900-1914.



COST OF LIVING

TABLE XI.—CALL MONEY RATES AT NEW YORK, 1900-1913.
(Quotations from Montreal Chronicle.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	4.00	3.56	4.80	5.75	3.05	-2.31	9.75	6.88	3.85	2.15	4.13	3.19	2.47	3.35
February.....	2.25	2.63	2.38	2.75	1.88	2.13	4.25	3.63	2.00	2.13	2.81	2.36	2.66	3.35
March.....	3.50	2.35	3.44	5.31	1.75	2.95	4.85	5.60	2.00	1.88	2.01	2.35	2.45	4.63
April.....	2.88	4.13	4.63	4.81	1.50	3.05	10.94	2.13	1.88	1.93	3.10	2.28	3.13	3.92
May.....	2.00	4.90	5.05	2.35	1.63	2.50	4.63	2.25	1.80	1.88	4.00	2.31	2.81	2.85
June.....	2.22	3.81	2.78	2.44	1.10	2.30	3.45	2.56	1.50	1.88	2.81	2.38	2.75	2.41
July.....	1.63	4.13	3.72	2.93	1.13	2.25	3.38	4.50	1.35	1.95	2.50	2.35	2.69	2.06
August.....	1.38	2.55	3.33	2.13	1.00	2.00	3.65	2.95	1.13	2.25	1.56	2.35	2.88	2.33
September.....	1.75	3.94	8.81	2.16	1.45	3.05	9.63	3.63	1.31	2.69	2.00	2.29	5.00	2.71
October.....	3.00	3.41	6.25	2.80	2.00	4.88	4.44	13.81	1.45	4.30	3.13	2.25	5.16	3.78
November.....	3.81	3.70	4.88	5.25	2.50	7.13	7.00	11.60	1.75	4.44	3.38	2.50	6.75	3.44
December.....	4.38	5.13	6.31	5.03	2.85	15.30	15.50	11.25	2.88	5.15	3.15	4.00	6.25	4.50
Average.....	2.73	3.69	4.39	3.64	1.82	4.15	6.78	5.89	1.90	2.72	2.87	2.55	3.75	3.28
Index No.....	100.	135.2	160.8	133.3	66.6	152.0	248.4	215.8	69.6	99.6	105.1	93.4	137.4	120.1

TABLE XII.—CALL MONEY RATES AT LONDON, ENG., 1900-1913.
(Quotations from Montreal Chronicle.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	2.88	3.06	2.55	3.25	2.70	1.94	3.38	3.81	4.40	2.15	2.44	3.22	3.00	3.67
February.....	2.13	3.25	2.63	3.50	2.94	2.63	4.13	4.44	3.63	2.00	1.50	2.56	2.97	4.66
March.....	3.55	3.85	2.81	3.72	2.85	2.90	3.95	4.65	3.38	2.63	1.94	2.80	3.18	4.66
April.....	3.44	2.72	2.60	3.47	2.40	1.69	3.06	2.56	2.25	1.10	3.45	2.72	3.17	2.38
May.....	3.06	3.10	2.60	3.23	1.47	1.88	3.19	2.60	1.80	1.19	3.13	1.53	2.30	2.95
June.....	1.55	2.00	2.35	2.47	2.00	1.85	2.75	3.38	1.25	1.44	2.85	1.38	2.38	3.16
July.....	2.44	1.72	2.25	2.00	2.48	1.13	2.00	2.19	1.25	.90	1.50	1.13	3.07	2.72
August.....	3.13	1.80	2.58	1.85	2.44	1.44	2.60	2.65	1.00	.75	1.50	1.28	2.23	2.95
September.....	2.63	1.16	2.31	2.66	1.90	1.70	3.13	2.63	.81	.81	1.45	1.73	1.91	2.60
October.....	1.69	1.31	2.95	2.30	1.53	3.38	3.63	3.06	.90	2.38	3.06	1.78	2.47	3.63
November.....	3.20	2.68	2.53	3.38	2.25	3.63	5.35	4.80	1.31	4.31	4.63	1.88	3.58	4.33
December.....	2.88	2.83	3.41	3.31	2.60	2.85	4.50	5.13	2.19	4.05	3.20	3.28	3.94	4.35
Average.....	2.71	2.45	2.63	2.93	2.29	2.25	3.47	3.49	2.01	1.98	2.55	2.10	2.85	3.50
Index No.....	100.0	90.4	97.0	108.1	84.5	83.0	128.0	128.7	74.2	73.1	94.1	77.4	105.2	129.2

TABLE XIII.—BANK RATE OF DISCOUNT, LONDON, ENG., 1900-1913.
(Quotations from London Economist, Annual Supplement.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	6.00	5.00	4.00	4.00	4.00	3.00	4.00	6.00	6.00	2.50	4.50	4.00	4.00	5.00
February.....	4.00	5.00	3.50	4.00	4.00	3.00	4.00	5.00	4.00	3.00	3.50	4.00	4.00	5.00
March.....	4.00	4.00	3.00	4.00	4.00	3.00	4.00	5.00	3.50	3.00	3.00	3.50	3.50	5.00
April.....	4.00	4.00	3.00	4.00	4.00	2.50	4.00	5.00	3.00	2.50	4.00	3.00	3.50	5.00
May.....	4.00	4.00	3.00	4.00	3.00	2.50	3.50	4.00	3.00	2.50	4.00	3.00	3.50	4.50
June.....	3.50	4.00	3.00	3.50	3.00	2.50	4.00	4.00	2.50	2.50	3.00	3.00	3.00	4.50
July.....	3.00	3.00	3.00	3.00	3.00	2.50	3.50	4.00	2.50	2.50	3.00	3.00	3.00	4.50
August.....	4.00	3.00	3.00	3.00	3.00	2.50	3.50	4.00	2.50	2.50	3.00	3.00	3.00	4.50
September.....	4.00	3.00	3.00	4.00	3.00	2.50	3.50	4.50	2.50	2.50	3.00	3.00	4.00	4.50
October.....	4.00	3.00	4.00	4.00	3.00	4.00	4.00	4.50	2.50	3.00	4.00	4.00	4.00	4.50
November.....	4.00	4.00	4.00	4.00	3.00	4.00	6.00	5.50	2.50	5.00	5.00	4.00	5.00	5.00
December.....	4.00	4.00	4.00	4.00	3.00	4.00	5.00	7.00	2.50	5.00	4.50	4.00	5.00	5.00
Average.....	3.96	3.72	3.38	3.79	3.33	3.00	4.25	4.94	3.08	3.04	3.75	3.46	3.79	4.75
Index No.....	100.0	93.9	85.4	95.7	84.1	75.8	107.3	124.2	77.8	76.8	94.7	87.4	95.7	119.9

TABLE XIV.—MARKET RATE OF DISCOUNT, LONDON, ENG., 1900-1913.
(Quotations from *London Economist* Annual Supplement.)

	1900	1911	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	4.75	4.38	3.13	3.50	3.31	2.50	3.63	5.13	5.00	2.06	3.38	3.38	3.50	4.56
February.....	3.63	4.13	3.00	3.38	2.88	2.50	3.81	4.69	3.81	2.35	2.50	3.44	3.50	4.75
March.....	3.75	3.88	2.75	3.56	3.06	2.38	3.63	4.81	3.00	2.16	2.50	2.63	3.38	4.75
April.....	3.75	3.63	2.63	3.44	2.94	2.13	3.25	4.50	2.47	1.50	3.75	2.44	3.44	4.94
May.....	4.06	3.50	2.81	3.50	2.81	2.25	3.63	3.19	2.38	1.28	3.69	2.22	3.06	3.59
June.....	2.75	3.63	2.69	3.06	2.00	2.06	3.44	3.44	1.35	1.75	3.25	2.06	2.81	4.19
July.....	2.50	2.38	2.44	2.31	1.94	2.06	3.25	3.38	1.16	1.22	1.38	2.06	2.75	4.50
August.....	4.13	2.56	2.56	2.56	3.00	1.81	3.06	3.69	1.38	1.47	2.38	2.44	3.00	3.94
September.....	3.75	2.31	2.81	3.38	2.75	2.06	3.44	4.19	1.44	1.41	3.13	3.03	3.63	3.63
October.....	4.00	2.38	3.44	3.94	2.25	3.88	4.38	3.94	1.56	2.75	3.63	3.88	3.94	4.75
November.....	3.88	3.25	3.63	3.94	3.00	4.00	5.88	5.50	2.03	4.56	4.38	3.47	4.94	4.94
December.....	4.00	3.38	3.81	3.75	2.94	3.63	5.56	6.13	2.25	3.94	3.88	3.75	4.63	4.88
Average.....	3.66	3.16	2.97	3.36	2.74	2.60	4.00	4.50	2.31	2.19	3.17	2.80	3.54	4.43
Index No.....	100.0	86.3	81.1	91.8	74.9	71.0	109.3	122.9	63.1	59.8	86.6	76.5	96.7	121.0

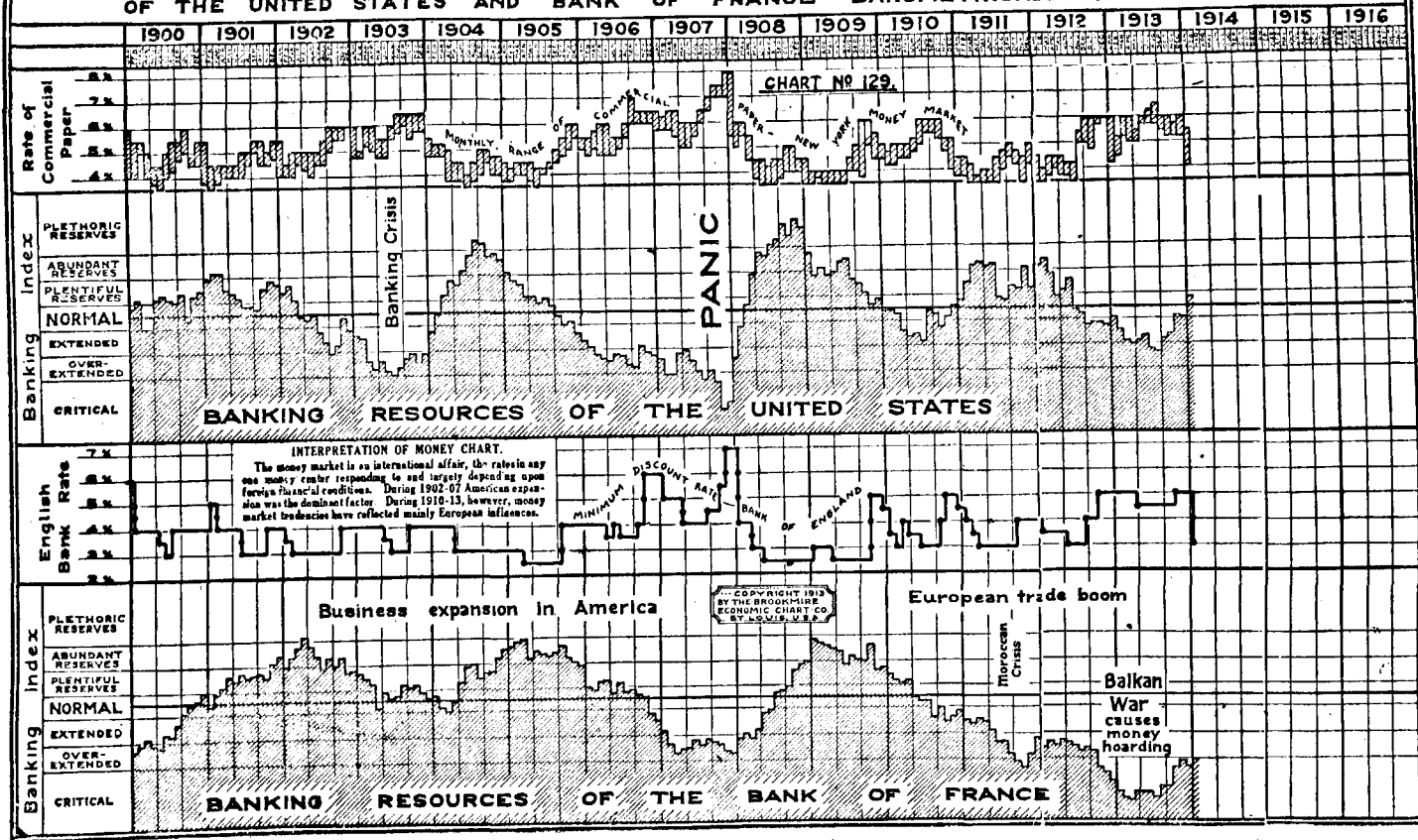
TABLE XV.—BANK RATE OF DISCOUNT, PARIS, 1900-1913.
(Quotations from *London Economist*, Annual Supplement.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	4.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	3.00	3.00	3.00	3.50	4.00
February.....	3.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.50	4.00
March.....	3.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.50	4.00
April.....	3.50	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.00	3.00	3.00	3.00	3.50	4.00
May.....	3.50	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.00	3.00	3.00	3.00	3.50	4.00
June.....	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.00	3.00	3.00	3.00	3.00	4.00
July.....	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.00	3.00	3.00	3.00	3.00	4.00
August.....	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.00	3.00	3.00	3.00	3.00	4.00
September.....	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.00	3.00	3.00	3.00	3.00	4.00
October.....	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.00	3.00	3.00	3.50	3.00	4.00
November.....	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.50	3.00	3.00	3.00	3.50	4.00	4.00
December.....	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	3.00	3.00	3.00	3.50	4.00	4.00
Average.....	3.22	3.00	3.00	3.00	3.00	3.00	3.00	3.42	3.08	3.00	3.00	3.13	3.38	4.00
Index No.....	100.	93.2	93.2	93.2	93.2	93.2	93.2	106.2	95.7	93.2	93.2	97.2	104.9	124.2

TABLE XVI.—MARKET RATE OF DISCOUNT, PARIS, 1900-1913.
(Quotations from *London Economist*, Annual Supplement.)

	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913
January.....	4.50	3.00	2.75	2.81	2.88	2.50	3.00	3.00	3.88	2.50	2.75	2.75	3.38	4.00
February.....	3.50	2.81	2.88	2.81	2.63	2.56	2.56	3.00	2.75	1.44	2.50	2.50	3.25	4.00
March.....	3.38	2.50	2.38	2.88	2.63	2.44	2.50	3.00	2.38	1.13	2.25	2.25	3.13	3.88
April.....	3.50	2.81	2.25	2.88	2.75	2.25	3.00	3.38	2.75	1.13	2.50	2.25	3.25	4.00
May.....	3.50	2.38	2.00	2.88	2.50	1.75	2.50	3.38	2.38	1.13	2.25	2.25	3.00	4.00
June.....	2.75	2.50	2.00	2.63	2.25	1.63	2.50	3.38	1.75	1.25	2.13	2.13	2.88	3.75
July.....	2.88	2.00	2.38	2.75	1.56	2.00	2.63	3.38	1.63	1.50	2.50	2.13	2.13	3.75
August.....	2.88	2.00	2.31	2.13	1.25	1.50	2.63	3.25	1.00	1.25	2.00	2.13	2.63	3.75
September.....	2.63	1.75	1.75	2.50	1.25	1.38	2.25	3.38	1.25	1.25	2.00	2.75	2.75	3.75
October.....	3.00	1.63	2.00	2.63	1.38	2.38	2.88	3.38	1.88	2.25	2.63	3.50	3.00	3.75
November.....	3.00	3.00	3.00	2.75	2.56	2.88	3.00	3.75	2.00	2.88	2.88	3.50	3.63	3.88
December.....	3.00	2.63	2.75	2.75	2.38	3.00	2.88	3.88	2.00	2.75	2.63	3.25	3.75	3.50
Average.....	3.13	2.44	2.37	2.70	2.17	2.10	2.69	3.28	2.13	1.67	2.42	2.58	3.19	3.83
Index No.....	100.	77.9	75.7	86.3	69.3	67.1	85.9	104.8	68.1	53.4	77.3	82.4	101.9	122.4

Discount Rates AT NEW YORK AND LONDON, AND Banking Resources OF THE UNITED STATES AND BANK OF FRANCE BAROMETRICALLY INDICATED.



COST OF LIVING

DEPARTMENT OF LABOUR EXHIBIT

TABLE XVII.—INTEREST ON COMMERCIAL PAPER AT NEW YORK.*

	Rate		Index Numbers	
	4-6 Months	60-90 Days	4-6 Months	60-90 Days
1896.....	7.02	5.76	122.9	131.5
1897.....	4.72	3.57	82.7	81.5
1898.....	5.31	.382	93.0	87.2
1899.....	5.48	4.05	96.0	92.5
1900.....	5.71	.438	100	100
1901.....	5.41	4.24	94.7	96.8
1902.....	5.75	4.88	100.7	111.4
1903.....	6.21	5.43	108.7	124.0
1904.....	5.13	4.24	89.8	96.8
1905.....	5.17	4.35	90.5	99.3
1906.....	6.24	5.68	109.3	129.6
1907.....	6.55	6.27	114.7	143.1
1908.....	4.95	4.42	86.7	100.9
1909.....	4.67	3.86	81.8	88.1
1910.....	5.72	5.01	100.2	114.4
1911.....	4.71	4.02	82.5	91.8
1912.....	5.41	4.74	94.7	108.2

*From "Security Prices and Interest Rates," by Wesley C. Michel in the *Journal of Political Economy* for June, 1913.

Exchange.*

As already stated, Canada has no gold market, and her international balances are settled for the most part by the purchase of New York Exchange. The rate is of course limited by the cost of shipping gold to and from that centre, which is a little over a sixteenth of one per cent; there is accordingly a possible variation from a sixteenth discount to a sixteenth premium. Normally the rate fluctuates considerably, but tends to be lowest towards the end of the month and highest at the beginning. Throughout the period 1900-1913, except for a time in 1907 when gold on account of the panic could not be obtained in New York, the rate remained more or less steady, ranging from a thirty-second discount to a thirty-second premium. Since 1911 the average price of New York funds was possibly somewhat higher than previously. Though it would be difficult to work out a genuine average, it is probably close to the mark to say that up to 1911 the average was in the neighborhood of one-sixty-fourth discount, while from 1911 up to the beginning of the war the average would be represented by a slight premium. Since the war, of course, gold has not passed either way in so far as Canadian transactions are concerned. Beginning with August, 1914, and ending with November, 1914, there was a period when New York Exchange dropped as low as two per cent discount. Subsequently it went to a premium of from a quarter of one per cent to as high as one per cent. The cause for the earlier fluctuation was the heavy shipments of Canadian grain and the withdrawal of call loans in New York; the second fluctuation was due to the continuing preponderance of imports over exports. London is, of course, the clearing house of the world, and payments between countries are usually made through that market.

*To the quotation from Mr. Hartley Withers on the nature of Exchange in the footnote on page 719 the following from the same source may be added:

"The essential point is the fact that fluctuations in rates of exchange are caused by variations in the relative value in the currencies of the two centres between which the exchange is quoted. If a large number of Londoners have payments to make in Paris, or want to send money to Paris, a large number of people will want to exchange sovereigns for francs, and the value of the sovereign will be depreciated when expressed in francs, and the Paris exchange will move 'against London'. The most obvious reasons which will cause this variation, or stimulate this demand in London for remittances to Paris, will be the balance of trade in its widest sense—the exchange of commodities and all kinds of services between England and France—and the rate of interest ruling in the two centres. If Paris sells more goods and services to London, more people in London will have payments to make in Paris; and if the rate of interest be 3 per cent in Paris and 2 per cent in London, money will tend to flow from London to Paris to earn the higher rate, and the demand for remittances to Paris will thus be further stimulated.

"We have thus arrived . . . at a result which may be summarized thus: The foreign exchanges are the expression of international indebtedness. International indebtedness is the balance arising from the exchange between countries of goods, services and securities. The movement of securities, especially of bills of exchange, depends largely on the discount rates current in the chief financial centres. The discount rate has thus an important bearing on the foreign exchanges. It has also been shown that when the foreign exchanges go to a certain point, gold will be taken from London, because, for example, it will pay better to send gold to Paris than to take only 25fr. 15c. for one's sovereign on 'change. And gold is the basis of our credit system, since the notes and cheques which we use in commercial and financial transactions are all convertible on demand in gold, and cannot safely be multiplied beyond a certain point unless the stock of gold ready to meet them if asked for be increased also. So that now we are beginning to see more clearly the importance of the market rate of discount, and the need for its sagacious regulation." *The Meaning of Money*, pp. 173, 174, 197 and 198.