

## Section 5.—Corporation Dividends.

(From the *Financial Post Business Year Book*.)

The 1934 improvement in Canadian business, as indicated by higher corporate earnings, was reflected in the total annual dividend payments of \$185,759,716, compared with \$134,679,359 in 1933, or a gain of 37.9 p.c. Every month of the year except September showed an increase; the then decrease was due to the change of dividend policies of Imperial Oil and International Petroleum, whereby these two organizations went on a semi-annual basis as contrasted to their former quarterly payments. Bonus payments from a few large industrial companies and a number of mining companies, plus initial dividends by some of the new mines, helped to swell the December total far above the 1933 figure. In Table 34 below there is given a six-year record of aggregate monthly dollar payments and yearly totals for all companies paying dividends in Canada:—

**34.—Dividend Payments by Canadian Companies, 1929-34.**

Month.	1929.	1930.	1931.	1932.	1933.	1934.
	\$	\$	\$	\$	\$	\$
January.....	27,263,809	30,310,039	27,959,397	20,400,598	13,854,450	14,416,545
February.....	5,056,962	7,946,299	5,101,369	4,095,424	3,335,428	3,783,396
March.....	14,735,211	22,770,591	24,376,795	18,944,825	16,754,000	17,267,509
April.....	29,615,366	32,634,632	32,126,789	21,273,875	11,602,414	12,265,579
May.....	5,705,616	6,580,454	5,301,127	4,674,523	2,931,000	4,793,184
June.....	25,591,671	33,847,306	28,899,218	19,342,689	17,497,407	41,938,738
July.....	27,606,526	29,301,051	21,908,004	16,008,127	12,672,273	16,422,866
August.....	4,405,879	7,037,106	4,967,051	4,391,902	3,260,000	4,405,879
September.....	22,542,905	23,668,503	19,765,080	16,049,340	14,271,323	9,731,678
October.....	34,179,929	35,885,965	24,451,599	15,919,557	11,807,000	13,849,280
November.....	6,072,009	6,738,450	4,756,132	3,652,381	3,656,148	4,188,056
December.....	35,771,604	47,921,152	26,738,555	20,209,250	23,037,916	42,638,981
<b>Totals.....</b>	<b>238,547,487</b>	<b>284,641,548</b>	<b>226,351,116</b>	<b>164,962,492</b>	<b>134,679,359</b>	<b>185,759,716</b>

## Section 6.—Foreign Exchange.

The Canadian dollar, adopted as our currency in 1857, was equivalent to 15/73 of the pound sterling; in other words, the pound was equal to \$4.866 in Canadian currency at par, and remained so, with minor variations between the import and export gold points representing the cost of shipping gold in either direction, until the outbreak of the Great War. Further, during the first eleven years after Confederation, the Canadian dollar was at a premium in the United States, as the United States dollar was not, after the Civil War, redeemable in gold until 1878. From the latter date, the dollar in the two countries was equivalent at par, and the variation was only between the import and export gold points or under \$2 per \$1,000.

At the outbreak of the Great War, both the pound sterling and the Canadian dollar were made inconvertible into gold and fell to a discount in New York, though this discount was "pegged" or kept at a moderate percentage by sales of United States securities previously held in the United Kingdom, borrowing in the United States, and, after the United States entered the War, by arrangements with the United States Government. After the War, the exchanges were "unpegged" about November, 1920, and the British pound went as low as \$3.18 and the Canadian dollar as low as 82 cents in New York. In the course of the next year or two, exchange was