exchange for an equivalent nominal amount of this stock.

In January, 1909, a loan of £6,000,000 3 3-4 per cent. bonds, due 1st July, 1919, with option to the government to redeem the whole or any portion of drawings at par on or after 1st July, 1914, on giving three months' notice, was issued at 99 1-4 per cent. in London for the purpose of meeting maturing obligations, to provide funds for the construction of public works, and for general purposes. Holders of these bonds were given the option, up to 30th November, 1913, of conversion into the existing 3 per cent. inscribed stock 1938, on the basis of £110 of that stock for every £100 bond.

In July, 1909, a further loan of £6,500,000 3 1-2 per cent. stock due 1st July, 1950, with option to the government to redeem at par on or after July 1, 1930, on giving six months' notice, was issued at 98 1-2 per cent. in London for the purpose of providing for the outstanding balance of the loan maturing 1st January, 1910, and to provide for the advance of \$10,000,000 (or £2,054,794) to the Grand Trunk Pacific Railway Company to assist in the construction of the National Transcontinental Railway.

Official statements show that the funded debt of Canada payable in London (taking into account the loan of £6,500,000 placed on the market in July last, and also allowing for the redemption of the £6,443,136 Canada reduced loan of 1885, which will mature January 1st, 1910), will be £57,163,917, being an increase of £10,332,060, or \$50,238.896 over £46.840,856, the amount of such debt on the 30th June, 1903.

Supplementing Mr. Fielding's information as to loans in 1909, the following blue-book summary of Canada's recent transactions in London will prove interesting.

Loans Placed on the London Market Since 1903.

Loans Placed on the London Market	Since 100	٠.
Dr. Loan of 1900-12 1907 Oct. 1, 1912	£ 1,500,000	0 0
[Feb. issue] 1908 July 1, 1930-50	3,000.000	0 0
P pc. Loan of 1908 1908 May 1, 1912	5,000,000	0 0
[Oct. issue]	5,000,000	0 0
1909] 1909 July 1, 1914-9	6,000,000	0 0
p c. Loan of 1909 [July issue] 1909 July 1, 1930-50	6,500,000	0 0
p.c. Loan of 1874 [ex- tented to May 1, 1907] 1904 May 1, 1907	2,500,000	0 0
p.c. Loan of 1874 [ex- tended to May 1, 1911]. 1907 May 1, 1911	1,831,398	1 5
Total	31,331,398	1 5
Canadian Pacific Railway Loan [assumed by the Dominion July 10,1906] 3½ per cent 1888	3,093,700	0 0
of 1938 at a premium— 874 Conversions into 3 per cent., 1938 p.c. 1908-12 Loan Conversions into 3 per	32,340	14 3
cent., 1938	6,020 22,607 6,786	0 0
Loan of 1908 "	6,780	, 0 0
Total	67,753,	14 3
Grand Total Deduct matured loans (as in next col.)	34,492,851 24,169,790	
	£10,323,060	17 0

Loans Which Have Matured in London Since 1903.

	Year to Issue	of			Amount Sterling		
Intercol. R4p.c.	1869	Oct.	1,	1903	£1 500,000	0	0
" "4"	1873	Apr.	1,	1908	1,500,000	0	0
Ruperts Land Loan 4 "	1873	Oct.	1,	1904	300,000	0	0
Intercol. R 5 "	1869	Oct.	1,	1903	500,000	0	0
Loan of 18744 "	1874	May	1,	1904	4,000,000	0	0
" extended 1st					1,926,654	15	11
May, 1907 4 "	1904	May	1.	1907	1,000,000	0	-
Loan of 1875 4 "	1875	Nov.	1.	1905	2,540,000	0	(
1876 4 "		Nov.				0	(
" 1878-9 4 "		Nov.			6,443,136	2	
Canada Reduced Loan 4 "		Jan		1910		0 1	8 8

Our London Letter.

LONDON MARKETS ACTING QUIETLY.

The Prospect of Government Borrowings—Politics apart the Business and Financial Outlook is Improving—Canadian Treasury Bills Successfully Placed—Insurance Amalgamation.

The London markets have taken the denouement—probably a historic denouement—of the Lords' debate on the Budget quietly. Anything else could hardly have been expected since, as a result of it, the next six or seven weeks will be occupied by a political campaign of extraordinary determination and vigour. The General Election on this occasion is no mere tussle between the "ins" and the "outs" as to who shall be in and who "out" for the next few years, but a desperate struggle such as we have certainly not seen since the great campaigns of the eighties.

What will the Government Borrow?

The Government having resolved on dissolution, it becomes an interesting question as to how much it will be necessary for them to borrow later on in order to make up the deficit in the finances of the year. That the amount will be very considerable goes without saying, but, so far, we have no specific information upon the subject. Indeed, it would almost appear that the amount will depend upon the result of the General Election. Mr. Asquith mentioned in his speech on Thursday that, if the present Government are fortunate enough to enjoy the confidence of the new House of Commons, its first act will be to re-impose as from the present week all taxes and duties which were embodied in the Finance Bill and to validate all past collections and deductions. Action of this kind will naturally produce a much larger revenue for the current financial year than a Unionist Government, who would not be able to look to the taxes and duties embodied in the Finance Bill, could obtain. So there the matter remains. It is satisfactory to note in this connection the common-sense attitude taken by the tea merchants, whose association has made an arrangement with the customs whereby, during the interregnum, the tea duty will continue to be paid at the same rate as heretofore; on the understanding that should it not be re-imposed or made retrospective the duty now paid will be returned as from December 4. Common sense