

## WATCHING DOMINION STEEL STOCK

## Holding Corporation's Securities and Their Relation to Coal and Steel Company's

Monetary Times Office,  
Montreal, October 29th.

The decline in the common stock of the Dominion Steel Corporation at Montreal to 39 once more attracts attention to the issue, this being the lowest price at which the stock of the holding company ever sold. It managed to rally this week. The Dominion Steel Corporation is heavily indebted to the bank, the amount of such indebtedness being understood to be in the vicinity of \$4,000,000. It is further stated by those who have considerable knowledge of the inner workings of the company that the present visit of Mr. Plummer to England is in connection with obtaining further money for the carrying on of the operations of the steel plant. The impression prevails in Montreal that the financing will take place through the issuing of additional preferred stock of the Steel Corporation, inasmuch as the sale of bonds would probably have to be made at such a low figure that it would reflect upon the price of the present issue.

In explanation of the weakness in the common stock, it is said that the bank is desirous of having the indebtedness of the corporation towards it reduced.

## Reasons for Weakness Shown.

Owing to various factors, the industrial situation is uncertain at the present time, and the action of the United States in reducing its tariff is thought will bring down the selling price of iron and steel products in the United States and of increasing the competition of the Canadian market. In addition to this, the iron and steel interests in Canada have not obtained definite promise of assistance from the government. Under these circumstances it is felt that the dividend on the common stock may have to be passed, as its continuation would not contribute to the reduction of the bank loan.

As to the weakness in the preferred stock of the Dominion Iron Company, it would seem that the preferred stock of the holding company, the Dominion Steel Corporation, takes precedence over the preferred stock of the constituent companies, owing to an arrangement made last year by which both the constituent companies authorized an issue of \$3,500,000, each, of 6 per cent. income bonds, making a total of \$7,000,000, to be exchanged for \$7,000,000 preference stock of the Dominion Steel Corporation. This \$7,000,000 of 6 per cent. preference stock has been issued, and the funds were used for improvements and extensions to the two constituent companies. Whether any new issue of preferred stock would receive precedence in like manner is difficult to say. If there is any doubt concerning the earnings of either of the companies, the fact that each company has to supply \$180,000 towards the dividend of the preferred stock of the corporation before the preferred shareholders of the individual companies receive anything, would have effect upon the price of these preference issues. Owing to the large earnings of the coal company, this sum would probably be easily available without in any way affecting the company's ability to meet its preferred charges.

## Issue and Conditions Relative Thereto.

A new issue of preferred stock of Steel Corporation can only be put out under certain conditions. The total amount to be issued is not to be more than half the amount of common stock outstanding. Assuming that the common stock remained as it is at present, this would give the company the privilege of issuing up to a total of \$18,448,100 preferred, of which \$7,000,000 has been issued. The corporation has undertaken not to increase the preferred issue until the average yearly net earnings have for three years exceeded four times the amount of the yearly dividend on the preferred stock outstanding, plus the further shares proposed to be issued. The 6 per cent. preferred stock of the corporation is cumulative, which, together with the precedence given it, makes it a valuable issue.

Assurances have been given out from time to time as to the satisfactory business being done by the corporation this year. Sales and gross earnings are reported to be in excess of those of a year ago, but what a comparison of the net earnings would result in is difficult to say. At the last meeting of the directors it was promised that regular quarterly reports of the business of the company would be issued, and the Street is experiencing some disappointment over the nature of the information obtainable.

Mr. F. Bowser, of the Burrard Peninsula joint sewage committee, recently appointed, says the board will issue \$2,500,000 bonds in the early spring. These will be placed on the London market.

## BENEFIT FARMERS BY CO-OPERATION

## Legislation in Saskatchewan is to That End—Delisle is Newest Town

(Special correspondence).

Regina, Sask., October 28th.

The Saskatchewan legislature will commence its sessions on November 6th. The government at Regina has announced that Delisle will be the next town created in Saskatchewan.

Several years ago the Provincial and the Saskatchewan Grain Growers' Association were instrumental in the organizing of the Saskatchewan Co-operative Elevator Company, which company has been of benefit to the farmers, and a revenue producer. Later the government solved the hail insurance difficulty, and has also entered into numerous other schemes for the benefit of the farmers.

## Every Branch of Farmers' Activities.

A department has now been organized in connection with the department of agriculture, for the direction of co-operative organizations. It is the intention of the government to have established in Saskatchewan a string of co-operative societies—local in their operations, but federated under one provincial head. These organizations, it is expected, will be concerned with every branch of the farmers activity, including the marketing of live stock and live-stock products, the importation of stock for the purpose of improving present herds, the handling of seed grain, and even the purchase of the necessities of life.

Mr. Thomson, of the department of agriculture, in explaining the matter, stated that one suggested improvement would be the organizations to market eggs systematically. All eggs will be collected once a day, and marketed at least once a week. Each egg will bear a stamp which can be traced back to the owner.

## Crops Were Good.

Evidence of the fine crops raised in the Regina district, is given by the fact that Mr. Martin Wagner's 100-acre farm produced 4,150 bushels of wheat, all of which graded No. 1 Northern, and was sold to Messrs. Cook and Vanstone, millers, of Regina.

Another indication of a generally good crop is given by the fact that Hon. W. C. Sutherland, speaker in the Saskatchewan House, has 15,000 bushels of wheat from a 500-acre farm. The average is, therefore, 30 bushels to the acre.

## SASKATCHEWAN BURNS ONE-FIFTIETH OF HARVEST'S RETURN

Damage to the extent of more than \$1,100,000 has been caused by fire in Saskatchewan during the last six months, according to Mr. R. J. McLean, provincial fire commissioner. Such a loss was sustained between April 1 and September 30, and since that time there have been many other serious outbreaks. The value of the property which is going up in smoke annually in the neighborhood of \$2,000,000, equal nearly to 2 per cent. of the total grain harvest of the province.

"During the past three months the losses have been heavy and in the investigation into the causes of the outbreaks much work has been done. The period has been an exceptionally busy one."

From 15 to 25 per cent. of the fires which have occurred within the last few weeks, Mr. McLean declared, were caused by gasoline explosions or originated from burning gasoline in one way or another. No fewer than four reports of such fires were received by the commissioner in one day.

"There have been a number of fires of suspicious origin, especially during the last couple of months. The circumstances have been such in many instances as to justify the conclusion that they were the work of incendiaries. Ten per cent. at least were of this character. If to these were added the number of fires the cause of which is reported to be unknown, but which there is good reason to believe were deliberately lighted by persons with criminal intent, the proportion would be very much larger. Several fires were caused by defective stove pipes, and there are many evidences to show that carelessness is one of the most fruitful of causes. Imbued with a happy-go-lucky spirit, the people of the west are frequently all too indifferent in matters of this nature. On the farms, when the cold weather season begins, the settlers are tempted to pile wood on their fires without thought as to the danger to which they may become exposed. Proper care is not exercised and frequently the destruction of the settler's home is the outcome.