MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Ethelbert, Man.—J. A. Thompson, of Winnipeg, has purchased a block of $9,750 6 per cent. 15-year debentures.

Tilbury, Ont.—Tenders will be received up till July 15th, for the purchase of $13,000 6½ per cent. 10-instalment bonds.

Fort Frances, Ont.—Tenders will be received up till July 15th for the purchase of $6,565 6 per cent. 20-instalment bonds.

County of Lincoln, Ont.—The Dominion Securities Corporation of Toronto, has purchased a block of $30,000 6 per cent. 10-year bonds. The price bid was 99.27.

York Township, Ont.—Tenders will be received up till July 15th for the purchase of a block of $175,000 6 per cent. 25-instalment bonds, and a block of $25,000 6 per cent. 25-instalment bonds.

Stockton, Man.—J. A. Thompson, of Winnipeg, has purchased a block of $4,000 consolidated school district debentures bearing interest at the rate of 6½ per cent., and payable in 20 years.

Victoria, B.C.—On Saturday, the 6th inst., Victoria voted upon a by-law to authorize the purchase of Ross Bay Cemetery, and to issue debentures therefor, to the amount of $37,950, maturing serially in 20-years, with interest at 5 per cent. per annum.

Teeswater, Ont.—A by-law has been passed authorizing the expenditure of $6,000 to acquire and improve the local electric light plant. Bonds will be issued to this amount, bearing interest at 5½ per cent., and it is expected that they will be sold locally.

Dauphin, Man.—The town of Dauphin is offering for sale tax sale certificates of the years 1915, 1916 and 1917. On their face values the accrued interest on the 1915 and 1916 certificates is 20 per cent., and on the 1917 certificates it is 10 per cent. until November 1st, 1918, when they will also draw 20 per cent. The purchaser is entitled to all of this accrued interest.

Norwich, Ont.—Messrs. G. A. Stimson and Company, of Toronto, have purchased $5,074 township of South Norwich bonds, issued for hydro purposes, and maturing in 19 annual instalments, with coupons attached. South Norwich has an area of 35,488 acres, and is one of the best and richest townships in Ontario. We believe G. A. Stimson and Company are offering these to the public to yield 6⅛ per cent.

Edmonton, Alta.—Sealed tenders will be received by the debenture branch of the department of education until Thursday, July 18th, 1918, on two blocks of school district debentures amounting to $9,750. Separate tenders are to be made on each of the following blocks: Block No. 1, Rural, 10-years 7 per cent.—White Earth S.D., $1,800; Duffield S.D., $500; St. Julien S.D., $1,950; Bouchard S.D., $500; total, $4,750. Block No. 2, Rural, 10-years 7 per cent.—Shoal Creek S.D., $1,000; Grey Eagle S.D., $2,000; Earlie S.D., $1,000; Riverford S.D., $1,000; total, $5,000.

Gladstone, Man.—The citizens of the town of Gladstone have a chance of investing sums amounting to $1,000 and upwards and receiving a return of 6 per cent. per annum on the amount invested, by purchasing debentures of the town, which are now being sold by the town in order to raise sufficient funds to pay for the electric light equipment and costs of installing same. These debentures have all the resources and assets of the town of Gladstone behind them, and are absolutely a safe investment. A number of outside investors have offered to purchase these debentures, but the town council has decided to give Gladstone citizens the first opportunity of purchasing them.

The output of new security issues in the United States during June amounted to $253,386,800. Of this total, about $40,000,000 represents railroad securities and $70,000,000 obligations of traction companies.

A $2,000,000 Victory Loan, which Newfoundland expected to raise in six weeks, was obtained by popular subscription in six days, and it was announced on July 5th, that the amount would probably be doubled.

AMERICAN TELEPHONE AND TELEGRAPH ISSUE

American Telephone and Telegraph Company seven-year convertible 6 per cent. bonds are being offered by Kidder, Peabody & Company, of Boston and New York. The bonds are dated 1st August, 1918;, and are due 1st August, 1925, bear interest at 6 per cent., and are convertible into the stock of the company after two years at 106. The issue is being offered at the market price, about 94½ to 95 and interest, yielding about 7 per cent.

ESTIMATED CROP REPORT

The wheat crop of India is estimated at 380,205,000 bushels by the International Institute of Agriculture, compared with 379,402,000 in 1917 and 348,998,000, the average production of the five years, 1912-16.

The production of wheat in Tunis is estimated as 9,406,000 bushels, against 6,963,000 last year, and a five-year average of 5,600,000.

Crop conditions on June 1st were very good in Ireland, good in France, Great Britain and Tunis, satisfactory in Holland and Sweden and average in Switzerland and Egypt.

TAX COLLECTIONS AND SALES IN EDMONTON

Edmonton had a total of about $4,000,000 of short-term obligations falling due this year; a considerable portion of this amount was paid off in cash raised by collecting arrears of taxes and by tax sales, and the balance of the debt has been renewed. The mayor, Mr. Evans, outlined the operations to *The Monetary Times* as follows:—

"Owing in great part to the lack of continuing penalties and of proper tax enforcement provisions, arrears of taxes accumulated from 1914 to 1917. Of necessity there was a corresponding amount of borrowing for current requirements on short-term securities, a great part of it falling due this year. The chief item was two-year debentures secured on the 1914-15 tax arrears maturing July 1st, to a total of $2,653,000, of which $2,000,000 were held in the United States having been placed by Messrs. Otis and Company, of Cleveland. Through the good offices of that firm the holders of these debentures were approached as to whether they would accept renewal debentures for a further two years or whether they wished payment. With extensions thus secured and an underwriting by Messrs. Otis and Company themselves, $1,100,000 were renewed for the two years and the balance of $900,000 was paid in cash out of the collections of these particular arrears before and at a tax sale which is now being held. Incidentally, proper penalties and tax sale provisions were secured at the last session of the Alberta legislature and under these the tax sale is producing excellent results. The extension debentures bear interest at 6 per cent., and were taken at 98, the price of issue of the original debentures, making about a 7.10 per cent. interest basis. At the present rate of exchange and assuming that exchange has become normal at the maturity of these renewals this was much better for the city than borrowing money in Canada even at 6 per cent. and then paying exchange to send it to the United States. Of the remaining 1914-15 tax arrear debentures held in this country $316,000 were met out of collections and the balance renewed on the same basis as the above. All of these renewal debentures are redeemable by drawings.

"In order to take care of other maturities 5-year 6 per cent. debentures secured on the 1917 tax arrears are being issued and private sales of these have been arranged to the extent of $626,000 on a basis to yield 6.85 per cent.

"At the beginning of the year the city was faced with nearly $4,000,000 of maturing short-term obligations in addition to its current requirements, but the payment of sundry items and the above operations have taken care of all but comparatively small amounts falling due later in the year. In 1919 the amount of such obligations is less than $200,000, which, by comparison, is almost negligible. Thus what looked in advance as though it might be something of a crisis in the city's financial position has been successfully passed and this fact is showing itself immediately in an excellent general tone of confidence within the city and outside."