

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

South Vancouver, B.C.—The municipality has received \$460,000 to date from its recent sale of treasury notes.

Oakville, Ont.—The ratepayers defeated by a substantial majority a proposal to spend \$65,000 on a new school.

St. Tite, Que.—An offering of \$30,000 6 per cent. bonds, redeemable in 1920, is being made by the Provincial Securities, Limited, Quebec.

Renfrew, Ont.—To-morrow, May 29, is the last day for receiving tenders for the issues of bonds totalling \$11,300. J. A. Devenny, clerk-treasurer.

Salmon Arm, B.C.—Two by-laws for the expenditure of \$40,000 on waterworks and \$20,000 on electric lighting have been approved by Inspector Baird.

North Vancouver, B.C.—Local improvement by-laws, aggregating \$58,000, have been provincially certified, as well as two consolidating by-laws covering \$67,200.

West Vancouver, B.C.—The municipal council have accepted an offer from the Vancouver Shipyards to purchase \$5,000 worth of ferry bonds at 5½, as well as the shipyards' offer to sell to the municipality their ferry bonds at 5.

Welland, Ont.—Tenders are desired for \$65,000 5 per cent. 10-year frontage and sinking fund debentures and for a block of 5 per cent. 30-year hydro debentures. J. H. Burgar, treasurer. (Official advertisement appears on another page.)

Hull, Que.—Some of the council are desirous of selling their bonds in the United States market and in a discussion on this matter it was pointed out that bond buyers of New York have affiliated firms in Montreal through which the sale can be made, and this would avoid the expenses incurred by sending representatives to New York.

Vancouver, B.C.—Money by-laws totalling \$680,000 are to be submitted to the taxpayers at an early date. The by-laws are as follow:—For waterworks purposes, \$230,000; for grading, \$100,000; for paving streets, \$150,000; to purchase additional lands for the completion of the Georgia-Harris viaduct, \$150,000; and one for raising \$50,000 for the completion and equipment of the jail.

Regina, Sask.—Mayor Balfour and Commissioner Thornton were successful recently in negotiating the sale of \$959,000 worth of bonds at Toronto. The money secured through the sale of these bonds will be sufficient to finance the city for the balance of the present year, and it is not likely that the additional \$500,000 worth of bonds which the city still has on hand will be sold. A portion of the funds will be used in the construction of local improvements of a nature that will provide considerable employment. It is intended that these improvement works be completed prior to August 1st in order that all labor possible may be available to harvest the grain crop.

MUNICIPAL BONDS AWARDED

Edmonton, Alta.—\$200,000 1-year treasury notes at 99.44, to the Imperial Bank

Halton County, Ont.—\$100,000 5 per cent. 20-instalments, to Canada Bond Corporation, Toronto.

Township of Murphy, Ont.—\$8,000 6 per cent. 10-year bonds, to G. A. Stimson and Company, Toronto.

Mr. A. Mackenzie has been elected president of the Brazilian Traction, Light and Power Company, Limited, succeeding Dr. F. S. Pearson, who was drowned in the Lusitania disaster. Mr. Mackenzie was also elected president of the Rio de Janeiro Tramway, Light and Power Company, Limited, the Sao Paulo Tramway, Light and Power Company, Limited and the Sao Paulo Electric Company, Limited, by the boards of these companies. Mr. Mackenzie has been prominently identified with the Brazilian companies since their inception and was for years general counsel and resident vice-president in Brazil.

HOME LOAN AND CONTRACT COMPANY

Provisional Liquidator Makes Report—Depreciation of Assets Anticipated

At a meeting of the creditors of the Home Loan and Contract Company, the provisional liquidator, Mr. Patrick Donnelly, of the Canadian Financiers Trust Company, showed in his report that:—

"The Home Loan and Contract Company was incorporated under the Companies' Act of British Columbia on January 12, 1911, with an authorized capital of \$300,000, which by amendment dated April, 1914, was subsequently divided into 200,000 common shares of \$1 each and 100,000 8 per cent. cumulative preferred shares of \$1 each. Up to the date of the company going into liquidation there was issued 43,910 shares of \$1 each on which there is a balance unpaid of \$11,714.50, leaving the total amount paid in by shareholders on common stock \$32,195.50. No preferred shares have been issued as shown by the company's accounts. It would appear that there is therefore due from the contributors \$11,714.50, which should be recoverable if necessary for the purpose of making up any deficiency in the claims of the contract holders and other creditors.

Will There be Surplus of Assets?

"The assets reserved for the contract holders are shown in the auditor's report separately and it appears that there is a surplus of assets over liabilities of \$8,032.63, but as pointed out by the auditor's report no provision has been made for depreciation and whether this amount would be sufficient to cover any depreciation or not is very hard to determine and would depend largely upon the care and judgment exercised in making the loans.

"The great inducement for the contract holders in purchasing contracts in this company was, of course, the possibility of borrowing money without interest, which has been taken advantage of by the contract holders to an extent which leaves \$137,888.42 still owing on mortgages after allowing for repayments, the greater part of which is not bearing interest. Therefore the contract holder's advantage while the company was in operation is his disadvantage at the present time because he has to await the return of the money without interest.

Better to Wait.

"Consequently, the contract holder is faced with one or two alternatives, one of which would be to wait for his money without interest and the other to discount the mortgages. As the discount would be very great on a mortgage for, say eight years repayable in small monthly payments without interest, it would appear that the better plan of the two would be to retain the mortgages rather than attempt to discount them.

"In addition to the assets reserved for the contract holders, the auditor's statement shows a surplus of \$8,942.50 of assets over liabilities, exclusive of the surplus reserved for contract holders. This is subject to realization of assets amounting to \$15,311.63 on which there is almost certain to be considerable depreciation."

A plan for reorganization is to be reported on at the next meeting of the creditors.

MERCHANTS' BANK OF CANADA

As has been the case with most banks, the Merchants' Bank also records a decrease in profits as a result of operations during the past year. The annual financial statement for the year ended April 30th last, however, shows the maintenance of a very strong position. Cash holdings increased almost 100 per cent. and liquid assets 33 per cent. At the same time, the increase in liabilities to the public during the year was less than 5 per cent. On the paid-up capital, stock earnings were at the rate of 14.8 per cent. compared with about 17 per cent. a year ago.

Mr. George Beach, city clerk, Regina, has issued the city's useful little municipal handbook. It contains a great deal of information regarding the civic affairs of Saskatchewan's capital.