

took a most lugubrious view of the situation. He looked with grave apprehension, he said, at the position of the bondholders. It was not reasonable, unless matters had been misrepresented in a way he never believed to be creditable, to suppose that there was any prospect of the earnings of the road being sufficient to pay the interest on even the first mortgage bonds and certainly not on the unfortunate income bonds. He did not think it possible that the line could pay much interest on the prior lien bonds. There was not much reason for hope that the position could be substantially improved.

Members of the Bondholders' Committee, on the other hand, took a very different view of the situation. "All they had to do," said one of them, "was to nurse the line for a few years when he had no doubt the Prior Lien bonds would stand well over par." Strong exception was taken to the action of the trustees in appointing Mr. A. J. Gorrie as receiver, on the ground that he has formerly been in the service of the Canadian Northern and a telegram was read at the meeting from Quebec to the effect that "if he (Mr. Gorrie) was appointed he might lean away from the bondholders' interest on account of the confidential relations still believed to be in existence with the Canadian Northern."

Finally the meeting was adjourned for a month, the committee being impowered to call for the deposit of bonds. This they have now done. It appears that four reports on the property are in process of preparation; one by the Receiver, and another by Messrs. Price, Waterhouse & Co., on behalf of the Trustees and two by Messrs. George A. Touche & Co., and "an efficient Railway Manager" on behalf of the Bondholders' Committee. Additionally a circular has been issued by the solicitors of Mr. J. G. Scott, formerly general manager of the railway, of a letter addressed by him to the trustees of the bondholders giving explanations in reply to the circulars issued some weeks ago by Mr. R. M. Horne-Payne, the London director of the Canadian Northern.

The position is now further complicated by the intervention of Messrs. Coates, Son & Co., who, having regard to their agency in the sale of the whole of the Prior Lien Bonds issued by the Quebec and Lake St. John Railway, advise the Prior Lien Bondholders to retain their bonds for the time being in their own possession. Messrs. Coates take the responsibility of offering this advice "because in our opinion the interests of the prior lien bondholders are in no sense identical, but widely different from those of the other classes of bondholders."

Canadian New Issues.

The Amalgamated Asbestos bond issue has made its appearance this week simultaneously with the issue on your side. The London issue price was £95 os. 9d. per bond of \$500 equal to 92½ p.c., it being explained in the London prospectus that the difference in price between the issue in this country and elsewhere is the amount of the stamp duty payable on the bonds issued here. The prospectus proceeded: "The issue price includes 10s. per cent. to cover the additional stamp duty that may be payable in the event of the additional

stamp duties on 'marketable securities' being increased as contemplated by the Finance Bill before the last Parliament. Should the bonds be delivered before the increased duty comes into force, a cheque for the amount will be handed to the persons entitled to the bonds when the same are delivered."

An issue has also been made this week by the British Columbia Electric Railway of £530,000 4¼ p.c. perpetual consolidated debenture stock. This ranks *pari passu* with £800,000 now quoted in London, and is a first floating charge on the undertaking subject to £230,800 first mortgage debentures and £210,600 Vancouver power debentures now outstanding, forming when these have been redeemed a consolidated first floating charge on the whole assets of the company. The issue price is par, previous issues having been made at 98 and 99.

Banking Figures.

Some interesting banking figures are included in Mr. H. W. Birks' newly published analysis of the balance sheets of the leading joint stock and private banks. In aggregate of paid-up capital and reserve the new London County and Westminster comes first with a total of £7,750,000; followed by the London City and Midland, with £7,218,890; Lloyds with £7,171,600, the National Provincial with £5,350,000, and the Union of London with £4,704,785. In deposits and current accounts Lloyds top the tree with £76,494,726 and has thus the distinction of being our biggest bank. It is followed by the London County and Westminster with £71,858,310; the London City & Midland with £69,541,573 and the National Provincial with £59,541,573. The proportion of cash, call money and investments to liabilities (deposits and acceptances) varies very largely. In the case of Lloyds it is 39.87; the London County & Westminster, 46.08; the National Provincial, 51.17; Glyn Mills Currie & Co., 68.39.

New Directors.

Sir W. H. White, K.C.B., the new director of the Grand Trunk, was formerly director of Naval Construction and is an authority on naval architecture and shipbuilding. Presumably he has been elected to the Board in view of shipping developments following the completion of the new Transcontinental line. His only other directorship is of the Parsons Marine Steam Turbine Company, which controls the well-known Parsons Turbines. It will be remembered that some time ago the suggestion was made that Lord Milner should be elected to this position, but he has now accepted the chairmanship of the Bank of British West Africa in succession to the late Sir Alfred Jones.

French Old Age Pensions.

The new scheme of old age pensions in France shortly to be established will be on a contributory basis. The annual subscription will be 9 francs for men, six for women and 4.50 for persons under 18. Employers and the State will also make contributions, and regular contributors will become entitled to a pension at 65 up to £16 10s a year in the case of men and £11 in the case of women.

METRO.

London, 1st March, 1910.