

## CANADIAN LAND DEBENTURE ISSUE

## Farm Lands Company Tries London Market—Dominion Government May Guarantee Further Canadian Northern Bonds

The Union Bank of Canada, on behalf of the British and Overseas Agency, offered in London this week £118,000 6 per cent. debentures in Kindersley, Saskatchewan, Farms Lands, Limited.

Some regret is expressed in the London press, says a cable to the Montreal Star, that the prospectus does not frankly state details, such as the terms on which the Agency secured these debentures, which it now offers to the public at par.

The following issues have been listed on the London Stock Exchange: City of Regina £117,400 4½ per cents; South Winnipeg, Limited, £300,000 fives.

Applications have been made to list on the London Stock Exchange, Canadian Northern Manitoba guaranteed (renewed special application) £587,671 fours, and Southern Alberta Land Company £47,392 shares.

## Canadian Northern Railway Guarantee.

The Dominion Government has offered to guarantee the bonds of the Canadian Northern line from Prince Albert to join the Government Hudson Bay line near Split Lake.

The Keystone Portland Cement Company, of Calgary, has been incorporated with a capital of \$700,000 and bonding powers of \$500,000 6 per cent. first mortgage bonds. The company is establishing its mills at Blairmore, Alta., and is expected to commence the manufacture of cement early next year. A bond issue will probably be made next week.

## "Colonial" Loans in London.

The reception accorded three recent "colonial" loans in London is striking testimony to the congested state of that market. The Newfoundland loan of £400,000 3½ per cent. stock at 93 per cent. was only taken by the public to the extent of one-fourth, and the underwriters had the rest. Of the Queensland loan underwriters had to take up 89 per cent. The response to the city of Calgary loan of £500,000 4½ per cent. debentures at 99, notwithstanding the exceptionally favorable conditions was also poor.

Mr. W. R. Arnold, managing director of the Dominion Trust Company, Limited, who is just back from London, declares that the trouble being experienced in floating Canadian issues is due to two causes. In the first place there have been too many Canadian issues, and the market has been unable to digest them all. There is no such thing as a shaken confidence in Canadian enterprises, declares Mr. Arnold. The second cause is that offerings are being made with too low a rate of interest. With continental cities offering bonds at 4½ and 5 per cent., the English investor is beginning to look for a better return for his money than 3½ and 4 per cent. Canadian industrials and municipal issues must be prepared in future to pay a higher price for their capital.

Application has been made for the listing on the Toronto Stock Exchange of \$500,000 additional bonds of the Steel Company of Canada, which have just been issued. The total amount of bonds issued by the company is \$8,000,000.

## CANADIAN CREDIT MEN.

Toronto wholesalers were urged to establish an adjustment bureau in Toronto by Mr. Henry Detchon, general manager of the Canadian Credit Men's Association, at a recent meeting of the eastern branch. He outlined the excellent results obtained through the establishment of such a bureau in Winnipeg, emphasizing the fact that the method of issuing writs against insolvent or weak debtors had been entirely discarded in the Western city. Instead of using the law, he explained, meetings of all the creditors were held and the best method of dealing with each case decided upon, thus saving hundreds of dollars. The bureau also takes over matters affecting the Legislature, insurance questions, insolvent estate, and investigation of weak accounts. Mr. Detchon dealt also with his trip to Montreal and the Maritime Provinces with the object of opening up the work there. In Montreal a branch of the association had been formed with a membership of 104, and would be open for business on August 1st. A small association known as the Maritime Credit Men's Association, with headquarters at St. John, had been taken into the Canadian organization, and was at present operating as a branch of the Canadian Credit Men's Association. The movement, he said, was fast becoming Dominion-wide, and its benefits were being recognized.

The British-Canadian Cannery plant at Port Robinson, Ont., has started work. The plant has been quickly erected and is up-to-date.

## MONTREAL MAKES TEMPORARY LOAN

## Seven Hundred and Fifty Thousand Sterling Placed at Four and a Half Per Cent.

The city of Montreal will follow Toronto's example and make a temporary loan on the English market. The city council this week decided to accept the offer of the Bank of Montreal to market in London a loan of £750,000 for six months at 4½ per cent. Adding commission and stamp dues, the total discount will be about 4¾ per cent. Considerable discussion occurred at the meeting when it was elicited that the city would be indebted to the bank for temporary loans amounting to \$9,000,000, including the present loan. Controller Lachapelle stated that last February the civic board of control had submitted an offer to the council for a loan of \$5,000,000 at 97.15. This the council had not accepted. The same loan to-day could be made only at a loss of about \$200,000. Alderman Lariviere admitted that he had blocked that offer, having been told that it was possible to obtain an offer of 98.

## Advice of Responsible Bank.

Alderman Ward said that the city was acting wisely in following the advice of a responsible bank. It was noted that the Bank of Montreal was but acting as the financial agent of Montreal, and, as accredited agent, was transmitting to the corporation the money quotations of the London market, thus giving to the council the benefit of the information it had in its possession.

## Two More Loan By-Laws.

Two loan by-laws were submitted this week to the Montreal city council, by which the city is authorized to raise \$5,550,000 for public works during 1912. The following are details of Montreal's financial position:—

Value of assessable real estate, less probable reductions:	
According to roll of 1911 .....	\$318,000,000.00
According to roll of 1910 .....	319,550,000.00
Increase .....	\$ 61,450,000.00
Less:	
Value of the properties of the Harbor Commissioners assessed for the first time in the roll of 1911, provisionally reduced pending the decision of the Court, about \$	18,000,000.00
Net increase .....	\$ 43,450,000.00
Borrowing power of at 12 % .....	\$ 5,214,000.00

## Montreal's Borrowing Power.

The borrowing power of Montreal this year is 12 as compared with 15 per cent. a year ago.

One of the by-laws states that the city is entitled this year to borrow to the extent of \$5,214,000. The second by-law is for the raising of \$248,648 as part of the unborrowed loan power of last year. The acceptance of these by-laws enables the city to raise temporary loans, if desired.

## THE LATE MASSEY MORRIS.

Withdrawn for many months from the activities of business, in the grasp of painful ailments that left no chance of prolonging his life, Mr. Morris awaited, in serene patience, the slow advance of death which came to him in his 53rd year.

Born at Lennoxville, Que., in 1859, he spent his business life practically in the service of the Canadian Bank of Commerce which he joined about 1880. He served the bank at London, Chicago, Seaford and Toronto, was for some years inspector, and occupied from 1906 to 1910 the position of manager of the Toronto branch, in succession to the late Mr. J. C. Kemp.

His characteristics as a banker were thoroughness, a high sense of honor, a clear mind, and eminent fairness in dealing with subordinates. It follows, therefore, that his memory is cherished warmly, not only by his co-workers but also by those in the business world who were admitted to an intimacy which disclosed the noble qualities of his mind and heart.

An order-in-council has been issued requiring the Grand Trunk Pacific within 30 days from August 1st to lease the stretch of the Transcontinental from Lake Superior Junction to Transcona, a short distance from Winnipeg. As the Grand Trunk Pacific line from Port Arthur to Lake Superior already is in operation this will mean a line from Transcona to Thunder Bay, in full operation, under control of the Railway Commission. This action is in accordance with a recommendation by Major R. W. Leonard, chairman of the Transcontinental Commission.