

issue at 120. The market price had been flourishing at 160, but with the new shares in the selling arena the figure rapidly declined to 112. In view of that and other instances, it was thought that the C.P.R. would not attempt this method of financing. But it is the able financing of the Canadian Pacific Railroad, without too much heed of precedents, that has made its securities attractive to investors. Sir Thomas Shaughnessy and his colleagues have been able to raise money for their road's development at a comparatively low rate of interest, while other American roads have experienced considerable difficulties in raising capital. The high price of C.P.R. is due to some extent to the fact that shareholders may expect to obtain from time to time further shares at less than market value. The C.P.R. have taken a bad precedent and apparently confidently anticipate to transform it into a good example. As was shown in last week's Monetary Times, since 1906 C.P.R. has issued \$110,000,000 new capital, including the present \$30,000,000 authorized. This is an average of about twenty-seven millions per annum. Against that is the satisfactory fact that despite the heavy capital obligations, the road's capitalization per mile has increased only from \$33,200 in 1906 to \$37,500 in 1909, both low figures. There is ample work to account for the new stock.

EDITORIAL NOTES.

Arrangements are being made, it is said, for a gigantic gas trust in Canada. At last the root of the Canadian merger movement seems to have been located.

Wladystav Szczymansky has been arrested at Pittsburgh, having confessed to a robbery of the Bank of Nova Scotia's branch at Rainy River, Ontario. The wonder is that with such a name he should have escaped so long.

The other day the Canadian Pacific Railroad handled in twenty-four hours, 3,565 cars and coaches, or about two and a half cars per minute. That is an effective reply to complaints of car congestion during the grain movement.

On another page will be found a story by Mr. J. Blakeslee, the advisor of the German-Canadian Economic Association. He explains the objects of the Association, and tells Monetary Times' readers of the opportunities existing for a considerable strengthening of trade relations between the two countries. Many changes have been made in the Canadian and German tariffs as they affect the exporters of both nations. The feeling in Canada seems to be that the first move must be taken by the German Government with a view to a mutually beneficial change. At present, Germany and Canada are undoubtedly thinning their business relations. As Mr. Blakeslee points out, Germany is the greatest wheat importing country in the world with the exception of Great Britain. Yet the Kaiser's empire imported last year less than 300,000 bushels of Canadian wheat of a total imported of more than 90,000,000 bushels. The decline in German-Canadian trade is strikingly exhibited in, for instance, shipments of Canadian green apples. In 1905-6 Canada exported to Germany 63,221 barrels. Last year only 18 barrels were sent to that country from the Dominion.

This week we have in our midst a delegation from the Imperial Japanese Business Commission. They are visiting Montreal, Ottawa, Toronto and other Canadian cities, and Mr. W. T. R. Preston, who represented the Canadian Department of Trade and Commerce in Japan

for two years, is helping to arrange their itinerary. While the visit is not an official one, the Mikado's government attaches considerable importance to this American tour of Japanese financiers and industrial captains. It had something to say as to the selection of the personnel of the party, and has evidently secured very suitable persons to further Canadian trade relations with Japan. These gentlemen, who number about forty, include Baron Shibusawa, who has been called the Builder of Industrial Japan. The Japanese Chambers of Commerce, which have developed into a strong factor in the commercial life of a progressive Oriental country, practically owe their beginning to Baron Shibusawa. Baron K. Takahashi, president of the Industrial Bank, who during the war with Russia acted as Japan's financial agent in Europe, is another of the party. Mr. S. Tamura, of Tokyo and Kobe, a millionaire and one of the leading commercial representatives in Japan, is with the delegation, and has a fine capacity for furthering trade relations between the continents of Asia and America. As yet, American traders have not come in as close touch with Japanese buyers as have their European competitors. The Japanese exports to the United States and Canada are much more than the imports to Japan therefrom. With Europe the situation is the reverse. That Canada has unique opportunities to build up a remunerative trade with the Far East is indisputable. It remains for the enterprise of Canadian manufacturers and exporters to exploit the field. The present visit of the Japanese delegation shows an anxiety on the part of their nation to share mutually the advantages accruing from more business.

The borrowers who wended their way to London during the first nine months of 1909 took away with them nearly £150,000,000. If the record total of 1908, which was £192,000,000, is to be passed this year, £44,000,000 must be raised within the next three months. If money had remained as cheap as during the first three quarters, that figure might have been reached, but the money market already shows a hardening tendency, and it is doubtful whether last year's record will be surpassed. Canada was the largest Imperial borrower, and for that matter, the largest borrower of any kind in the London money market. During the nine months, the Dominion raised new capital in London amounting to £23,049,000 as compared with £20,368,900 in the same period last year. In those nine months, notes the Economist, England sent more money to Canada than to the Argentine, nearly twice as much as was sent to India and Ceylon, and more than twice as much as to any other country in the world. "Canada's capacity for absorbing capital is at present enormous, and we may fairly claim," adds our contemporary, "that she could not get this capital from any other country but Great Britain. It seems necessary to lay stress upon this fact, as one or two Canadian Ministers have recently talked about 'satisfying their needs elsewhere.' There is no 'elsewhere' for Canada. In London, she is raising very large sums of money on very easy terms, and neither in New York nor in any Continental city could she supply herself so readily or so cheaply." All of which is true. The reference to Canadian Ministers, we assume, is more particularly to Sir James Whitney and his amusing declaration that the Ontario Government might avoid London in future as a borrowing mart if London became too cheeky to Ontario. Efforts have been made in the past year to raise capital in New York for Canadian undertakings, but it has invariably been found that Great Britain has splendid confidence in Canada as an investment field, and is willing to loan millions of money at cheap rates to finance legitimate Canadian development. This is a heartsome situation. It behoves this country to investigate thoroughly its offerings before submitting them to London for the purpose of raising funds.