

## BURNABY BOND DISPUTE SETTLED

## Toledo Firm Settles on Basis of Par and Interest to July 27th

The dispute in regard to the treasury certificates of the district of Burnaby, B.C., has been settled. Messrs. Spitzer, Rorick and Company, Toledo, Ohio, offered to settle on the basis of par and accrued interest to July 27th. This offer was accepted by the district of Burnaby. Spitzer, Rorick and Company voluntarily withdrew the suit in the New York courts and will pay all the legal expenses in connection with the action. The treasury certificate issue of \$1,250,000 has been redeemed and the collateral debentures of \$1,716,000 have been surrendered by the Equitable Trust, of New York, to the Royal Bank of Canada for cancellation.

## Details of Case.

The details of this case were given fully in *The Monetary Times* of June 2nd. The district of Burnaby sold in November, 1913, to Spitzer, Rorick and Company \$1,250,000 three-year notes, the district having the privilege of redeeming them at any interest date after November, 1914, upon giving six months' notice, providing the proceeds for the retirement of the notes were derived from the sale of the collateral bonds held as security for the notes. Should the notes not be retired by the municipality by September 1st, 1916, the Toledo bond firm were to have the right to sell the bonds held as collateral against the notes at any price fixed by the bond house. The collateral bonds, which amounted to \$1,716,000, were 4½ and 5 per cent. long-term bonds, maturing in various years between 1927 and 1953. These were deposited with the Equitable Trust Company, of New York.

During the past year the municipality recognized that the conditions were changed, and that they would not require to spend as much money on local improvements, etc., as had been anticipated. They, therefore, sought power from the British Columbia legislature to make an issue of \$1,000,000 6 per cent. serial debentures, maturing in 20 instalments, in place of the \$1,716,000 long-term securities noted above. This action, they pointed out, would reduce the debenture debt by \$716,000, and would also reduce the annual levy by over \$15,000. This was considered a wise and economical move, in view of prevailing conditions, and the provincial legislature, therefore, gave the necessary authority for the change.

## To Issue Serial Bonds.

The district then proceeded to issue the \$1,000,000 serial bonds, which, with the sinking funds already in hand, which had accrued on account of the collateral bonds of \$1,716,000, and the unexpended balance of the proceeds of the note issue would put the district in funds to retire the \$1,250,000 treasury notes, and still leave a small balance available for application to complete the various works authorized by the several by-laws under which the collateral bonds were issued. With the serial issue outstanding the notes automatically would be retired.

The district decided to call for tenders for the serial bonds. Spitzer, Rorick and Company did not bid for them. Several bids were received and the bonds were awarded to Wood, Gundy and Company, Toronto. The district stipulated that the proceeds from the sale of the \$1,000,000 serial bonds were to be paid to the municipality by a certain date. In this way they would have the funds to retire the notes in May instead of in November, 1916, thereby saving a half-year's interest charges. Due notice of their intention to retire the treasury notes was advertised 30 days prior to May 17th. The Toledo bond house then issued an injunction on behalf of a number of the noteholders to restrain the district from redeeming the notes in the way proposed. The case has now been settled in the manner noted above.

## INDEX TO THE MONETARY TIMES

The index to *The Monetary Times* for the half-year, January to June, 1916, will be ready shortly. Those desiring copies should apply to *The Monetary Times*, 62 Church Street, Toronto.

## COBALT ORE SHIPMENTS.

The following are the shipments of ore in pounds from Cobalt Station for the week ended August 4th:—

Temiskaming Mines, 62,156; Dominion Reduction Company, 65,000; Buffalo Mines, 72,330; La Rose Mines, 87,147; Trethewey Mine, 39,233; Beaver Consolidated Mines, 105,218; Coniagas Mines, 87,661. Total, 518,745 pounds, or 259 tons.

The total shipments since January 1st, 1916, now amount to 17,791,982 pounds, or 8,895.6 tons.

## BRITISH COLUMBIA FARM LOANS

The first loans under the provisions of the Agricultural Credits Act were authorized recently by the Agricultural Credits Commission of British Columbia. Nineteen loans aggregating in amount \$25,300 were approved. Other applications are to be dealt with and if the reports of the appraisers prove satisfactory the loans will be approved.

To date there have been received 630 applications for loans from farmers resident in all sections of the province. These applications are for amounts ranging from \$250 to as high as \$20,000. It is the policy of the commission to deal as yet only with applications for moderate amounts. The aggregate amount covered by the applications already in is \$1,250,000. The money will be advanced to the farmers at a rate of not more than 6½ per cent.

## CLEARING HOUSE RETURNS

The following are the returns of the bank clearing houses for weeks ended August 3rd, 1916, and August 5th, 1915, with changes:—

	Week ended. Aug. 3, 1916.	Week ended. Aug. 5, 1915.	Changes.
Montreal . . . . .	\$ 79,849,570	\$ 44,949,238	+ \$34,900,332
Toronto . . . . .	46,184,056	*34,559,443	+ 11,624,613
Winnipeg . . . . .	43,423,018	17,655,230	+ 25,767,788
Vancouver . . . . .	6,485,704	5,396,297	+ 1,089,407
Ottawa . . . . .	4,764,477	3,562,676	+ 1,201,801
Calgary . . . . .	4,054,265	2,221,443	+ 1,832,822
Quebec . . . . .	3,678,930	3,445,071	+ 233,859
Hamilton . . . . .	4,073,351	*2,898,208	+ 1,175,143
Edmonton . . . . .	1,972,386	2,015,014	— 42,628
Halifax . . . . .	2,518,764	2,183,224	+ 335,540
London . . . . .	1,942,460	*1,697,378	+ 245,082
Regina . . . . .	2,418,547	1,640,676	+ 777,871
St. John . . . . .	1,891,802	1,680,384	+ 211,418
Victoria . . . . .	1,795,231	1,557,530	+ 237,701
Saskatchewan . . . . .	1,212,895	679,464	+ 533,431
Moose Jaw . . . . .	936,818	524,066	+ 412,752
Brandon . . . . .	635,548	464,766	+ 170,782
Brantford . . . . .	569,903	486,631	+ 83,272
Fort William . . . . .	628,150	*323,164	+ 304,986
Lethbridge . . . . .	539,675	351,054	+ 188,621
Medicine Hat . . . . .	324,839	158,623	+ 166,216
New Westminster . . . . .	311,180	248,567	+ 62,622
Peterboro . . . . .	590,828	459,924	+ 130,904
Total . . . . .	\$210,802,406	\$120,158,071	\$81,729,591
Sherbrooke . . . . .	490,371	.....	.....
Berlin . . . . .	503,752	.....	.....

\* Five days only (Civic Holiday).

Sir James A. M. Aikins has been appointed lieutenant-governor of Manitoba. Sir James Aikins was born in Peel County, and educated at Toronto University, and was admitted to the bar. From 1879 until 1896 he was counsel for the justice department; in 1880 he was one of the royal commissioners to investigate and report upon the administration of justice in the North-West Territories, and in 1900 was appointed counsel for the Manitoba government. He has been solicitor for the Canadian Pacific Railway in Winnipeg, and for other large corporations, banks, loan companies, etc., in Western Canada, and is on the directorate of several companies. *The Monetary Times* hopes that Sir James in his new and important office will continue his practical efforts to obtain greater uniformity in Canadian legislation. His work and influence in this matter in his new sphere should help to bring the necessary result.