

Seattle, Portland and San Francisco, but they helped to unburden the weight of others in Vancouver and Victoria. We believe, too, that Toronto was favored with their visit some months ago.

Yen and Kee have taken back with them to the Orient, so it is said, nearly three million dollars, representing payment for shares in the Heavenly Peace mines. To the time of going to press, the first annual report of the company has not been received, nor has application been made to list the stock on the Montreal or Toronto Exchanges. In the meantime, Canada's China continues to launder linen, labor on railroads and dream. One day it may think that Ting Peng Seng is a better college yell than it is mining investment.

NOVA SCOTIA STEEL AND COAL CO.

Considerable financing has been negotiated lately in Canada's industrial field. One of the most important was the bond issue of the Dominion Iron and Steel Company, while another of less magnitude was the issue of P. Burns & Company bonds. In the railroad world the Canadian Pacific, the Grand Trunk Pacific and the Canadian Northern have all figured. Last week another scheme of importance was that of the Nova Scotia Steel and Coal Company. At their annual meeting the other day, some of the thirty-nine thousand shares represented were on the tiptoe of expectation. President R. E. Harris and General Manager Cantley, having recently returned from London and its monetary beehive, the shareholders desired to know what proposals were afoot. The fact that dividends have been passed by the company on more than one occasion made the interest deeper.

Briefly the directors asked authority to make an issue of fifty year bonds, bearing interest at a rate not exceeding five per cent. for an amount not exceeding six millions of dollars. It was proposed to issue sufficient, with the proceeds of one million dollars of debentures stock to be issued, to redeem the company's present outstanding bonds and to produce about \$2,500,000 of new money. A sinking fund of one half of one per cent. is to be created, and the bonds will be secured by a first mortgage bonds upon the real estate and mines and other property of the company, and will be redeemable at any time before maturity at 105. The issue of debenture stock will rank next after the bonds and will be a part of an authorized issue, the total amount of which cannot at any time exceed the paid-up capital of the company. The stock will carry 6 per cent. interest.

As to the arrangements made in London to carry out these proposals, President Harris says that after communication with financial houses of high standing: "We have received a very favorable proposal for our contemplated bond issue, but with the security we have to offer, considered from the standpoint first of value and next as to its earning capacity, we hope and expect to obtain still more favorable terms." Then regarding the debenture stock, he says: "The underwriting of this stock has been practically arranged for." This apparently signifies that the directors did not deem it wise to clinch matters in London before they knew how the shareholders would view the refinancing scheme. That was natural. The statement by a broker said to be largely interested in the company "that this means that negotiations in England have not been successful," appears to be somewhat wide of the mark.

The company have an excellent property, but on account of the demoralization of the iron and steel industry and perhaps a few initial mistakes, the best of times have not come. During the past eight years the Nova Scotia Steel and Coal Company have earned an average profit of eight per cent. on their common stock, over and above the fixed charges. From that more than a million and a half has gone into extensions and equipment. Therefore, the future fixed charges should be

about the same as the present, for new money is to come into the concern, and the submarine ore property in a few years should be responsible for an increased revenue.

Several criticisms have been heard regarding this financing. Only one point perhaps deserves really serious consideration—that is the proposed payment of dividends. If it were thought that the refinancing proposals would not be acceptable to the shareholders without an immediate sop in the shape of promised dividends, we believe the shareholders were misjudged. As soon as the company's financial plans are carried out, and that will not be long, the directors hope to declare a dividend on the common stock. They see no reason why regular dividends cannot be maintained in the future. To some the promise of dividends before the actual refinancing may appear a little premature. The present proposals will considerably increase the strength of the company, but many perhaps would prefer to see at least another year's operations under the new financial banner before dividends on common stock are discussed. This is naturally a matter which the directors can best decide. The shareholders, or most of them, would surely be content to await the results of another twelve months' operations. They might then have reason to feel that their dividends were really manufactured at home.

UNITED STATES SILVER.

The address of Mr. D. R. Wilkie, president and general manager of the Imperial Bank, at that institution's annual meeting on Wednesday, came at a particularly opportune time. As the country is on the threshold of a new agricultural and industrial era, a review of the past and a few words regarding the outlook are helpful. Mr. Wilkie recalled the fact that the estimated acreage under crop is 11,200,000, and noted the favorable prospects of an average crop. He spoke, too, upon the results which will follow from the making arable of even twenty per cent. of our Western lands, which are estimated to number 253,000,000 acres. Mr. Wilkie does not think that the prohibition of the importation into England of live stock is an unmixed evil. With him many will agree. "We are making more money," he said, "in feeding our young cattle than we would by their shipment and the exportation of the native grain and fodder which they consume."

After touching on Canada's borrowings abroad and the satisfactory progress of the Imperial Bank, Mr. Wilkie spoke of the quantities of United States silver in circulation throughout the Dominion, particularly in the Western Provinces, including British Columbia, estimated by some at \$2,000,000. A blot upon our fiscal system was his description. After all, silver coins are but tokens; the silver dollar is worth in silver less than fifty cents, but it passes current in Canada for one hundred per cent. more than its value. "If silver coins are to form a part of our currency, let Canada have the benefit of the seigniorage, and let us at the same time give our new citizens an opportunity to become familiar with our national emblems. The gold and silver coinage of every self-respecting nation should form an important part of its national outfit, and should be jealously guarded. It is satisfactory to know that we now have in Ottawa one of the best up-to-date and perfect mints in the world, under the management of efficient, scientific controllers and operatives. I should like to see the machinery in more constant use manufacturing coins up to the legitimate demand for gold and silver currency. Under our present currency laws the silver coin of the country is not redeemable in gold or legal tender notes. This condition should be remedied; moreover, the old and worn currency should be withdrawn from circulation and replaced by new coins as necessity demands. United States coins should be shipped back to their country of origin."