

STEAMSHIP AND COKE COMPANIES' ISSUES

Navigation Merger to Float Debenture Stock in London
—Two-Year Notes for Coke Company

Next month \$6,106,000 5 per cent. debenture stock of the Canada Steamship Lines, Limited, will be issued in London. The debenture stock will be convertible into bonds at the option of the holder, and will be part of the total issue of \$9,000,000, repayable in 1943 at 105.

Messrs. Brown, Shipley and Company and the London County and Westminster Bank, Limited, will receive subscriptions, and the trustees for the debenture stock will be the Prudential Trust Company, Montreal.

The assets of the company are \$33,004,683 and of the \$9,000,000 of debenture stock an amount of \$534,983 will remain in the hands of the company for future issue, and in the meantime will be available for financing purposes.

It is proposed to give six 7 per cent. preference shares in the Canada Steamship Lines in exchange for every five common shares of the Richelieu and Ontario Navigation Company now held. In addition, there will probably be a bonus of the new common stock.

Estimate of Profits.

The consolidated net profits of the companies, as certified by the auditors for 1912, amounted to \$1,494,554, as against \$552,533 required to pay interest and sinking fund at present to be issued, including the amount reserved to retire underlying bonds, and to pay the balance of the cost of the new steamer Noronic.

On the basis of the increased gross earnings to August 31, 1913, shown by the accountant's report, net earnings of the company for this year are estimated at not less than \$1,750,000. Interest at 5 per cent. and sinking fund at 1½ per cent., on \$8,500,517 debenture stock will require \$552,533, showing a surplus of \$1,197,467. In 1914, when the improvements and economies effected by the consolidation have come into operation, it is figured, net earnings should reach at least \$2,000,000.

Officers and Directors.

The following is the directorate of the Canada Steamship Lines, Limited:—Messrs. James Carruthers, president; William Wainwright, D. B. Hanna, W. D. Matthews, J. P. Steedman, Sir H. Montagu Allan, C.V.O., H. B. Smith, Edmund Bristol, John R. Binning, M. J. Haney, Aemilius Jarvis, Hon. J. P. B. Casgrain, C. A. Barnard and J. W. Norcross, managing directors. A London advisory board is composed as follows:—Sir Stephen Furness, Sir A. Trevor Dawson, Frederick W. Lewis, Albert Vickers, Sir Vincent Caillard, W. Grant Morden and Claude G. Bryan.

Canadian Coal and Coke Issue.

A block of \$750,000 two-year notes of the Canadian Coal and Coke Company have been underwritten. United States bankers, who have become interested in the company's financing, will also advance \$500,000 additional.

SCHOOL DISTRICTS EMPOWERED TO BORROW MONEY.

The following school districts have been authorized to borrow money. The particulars are given in order, name and number of school district, amount required, and name of secretary-treasurer:—

Saskatchewan.

Winnifred, No. 2853. Wm. Curry, Theresa.
Lambourne, No. 3086. J. Weight, Droxford.
Gaudet, No. 742, \$800. R. Gareau, Garonne.
Island Lake, No. 44, \$3,000. F. T. Graves, Davis.
Mackenzie, No. 3107, \$1,300. B. F. Shaw, Schulz.
Salopian, No. 1216, \$800. K. F. Oliphant, Tisdale.
Macklin, No. 2420. A. W. A. Corscadden, Macklin.
Golden Acre, No. 3064, \$500. A. G. Schmidt, Hillsley.
Saskatoon, No. 13, \$50,000. Wm. P. Bate, Box 1406, Saskatoon.

Alberta.

Peerless, No. 2370, \$500. B. Janson, Peerless.
Scandia, No. 2913, \$1,250. Y. J. Dokter, Bawlf.
Hanna, No. 2912, \$45,000. H. M. Blois, Hanna.
Grainville, No. 2600, \$1,500. R. H. Campbell, Alby.
Dow, No. 3010, \$1,200. A. L. Parkinson, Pendent d'Oreille.

DEBENTURES AWARDED

Hibbert Township, Ont.—\$5,000 5 per cent. 20-year, to Messrs. G. A. Stimson and Company, Toronto.

Scarboro Township, Ont.—\$34,000 5½ per cent. 25-years, to Dominion Securities Corporation, Toronto.

CALGARY GETS BOND OFFERS

Edmonton Discovers Mistake in By-Law—Government Bonds and Investor

The finance committee of Calgary recently considered several offers for municipal debentures. Messrs. C. H. Burgess and Company, Toronto, offered 92 for \$250,000 of 5 per cents. Messrs. Aemilius Jarvis and Company, Toronto, offered to purchase a block of sinking fund bonds and stated they could place large blocks if the terms were sufficiently attractive. The city clerk was instructed to write that 5 per cent. was the rate and nothing less than par would be considered. Messrs. Parson and Company, Chicago, offered to discuss purchase of industrial building and packing plant bond issues amounting to \$600,000. The former issue totalling \$250,000 has already been sold elsewhere. Calgary's finance committee expressed disapproval at the establishment of a precedent to peddle small lots of bonds.

City auditor Mouat of Edmonton reported that he had discovered a discrepancy of \$15,432.24 in a 1913 local improvement by-law on which debentures were sold this year. The total shown on the schedule of a portion of the by-law was \$151,157, and on this basis the debentures have been sold. The total shown is, however, according to the auditor, incorrect to the amount of \$9,000 due to mistakes in addition, while further mistakes in including items makes the error \$6,435.24 greater.

Commenting on these errors, the auditor says:—

"By-law No. 511 was amalgamated with others under by-law No. 521, and sold to Kleinworts, the date of issue being August 1st. Debentures have, therefore, been oversold to the extent of \$15,435.24, made up of the discrepancies above outlined. The amount received for those debentures oversold at present lies in the general funds of the city, but it should not be permitted to remain there. There are two ways by which this amount can now be treated, as follows:—1. Place in the sinking fund; 2. Use to repurchase, on the open market, the debentures oversold. The second method itself is the one whereby, under the circumstances the smallest loss will accrue to the city, and it is recommended."

Government Bonds and Investor.

Government bonds do not appeal to the Canadian investor, for as the annual returns show the funded debt of the Dominion is practically all held in London. The reason for this is that the interest rate is too low to make such bonds attractive. The funded debt of Canada payable in London, amounts to nearly \$260,000,000, according to the financial statement on October 30th. The same statement shows the funded debt payable in Canada to be \$2,250,000. On November 1st the government paid off about \$1,500,000 of this, being the amount of a domestic loan at 4 per cent. raised in 1883. This reduces the funded debt payable in Canada to about \$750,000, consisting of savings bank stock issued many years ago.

CANADA'S BANKING SYSTEM

Various happenings during the year have made banking a prominent topic in the Dominion, and the well-known book, Canadian Banking Practice, has often been consulted.

This volume deals with practically every point likely to arise during clients' dealings with a bank. Its author, Mr. J. T. P. Knight, a banker of long experience, has compiled an authoritative volume, which is worthy the best attention of every student and patron of the Canadian banking system. Canadian Banking Practice. By J. T. P. Knight. Published by F. Wilson Smith, Montreal.

NEW SCHOOL DISTRICTS.

The following are the names of new school districts, together with their senior trustee:—

Alberta.

Oyen, No. 3058. B. H. Dial, Oyen.
Monitor, No. 3056. G. Tinkess, Monitor.
Lonira, No. 3057. H. M. S. Bowen, Lonira.
Lake McKee, No. 3054. H. L. McKee, Rowley.
Swan Creek, No. 3053. Arthur Charman, Chipman.
Hazel Grove, No. 3052.—J. F. Anderson, Meeting Creek.
Waterhole, No. 3055. John Campbell, Waterhole, via Dunvegan.

Saskatchewan.

Hartaven, No. 3157. Jas. Dykes, Creelman.
Log Valley, No. 3158. Peter Potts, Log Valley.
Isibell, No. 3160. G. H. Hoffmann, Maple Creek.
Northbridge, No. 3159. F. A. Ahner, Maple Creek.
Notukeu Creek, No. 3156. Frank Milman, Notre Dame.