have seen a rapid development of this class of business. Up to July more money has been borrowed on Canadian securities in New York than in any full year before, and the indications are that before the end of 1913 still more records will be broken. Incidentally, in addition to the direct benefits which have accrued, it will occur to the business man that it is not a bad thing for us to have additional customers for our securities. The effect on London of another market bidding against it will be good.

The net result of the scarcity of capital has been to effect a reduction in the price of securities which has brought them to the attention of a new class of investors. The purchaser of bonds and debentures to-day was the share buyer of yesterday, because good bonds are now selling on the basis at which some speculative shares in the height of the last boom were quoted. The prices of securities are now governed not by intrinsic value, but by the amount of capital available. It is a harvest season for the man with available financial resources. It is not to be expected that this bargain time will pass away very quickly, because the conditions which produced it must continue until the autumn at least. Normally, there should be more ready cash in the spring, and bond securities of every class would naturally advance.

SIR EDMUND'S CONFIDENCE.

Sir Edmund Walker, in a recent speech in London, declared his confidence in Canada in the following words: "Nothing has happened to change the confidence of the investor in Canada, except that money being scarce instead of plentiful, he has turned the currents of his mind into pessimistic channels instead of optimistic. When money is a little easier, and the investor looks about for his investment instead of having it thrust upon him, he will again see that the brightest and most wholesome spot in the Empire is British North America."

Municipal Debenture Market

THE past three months in the municipal debenture market reveal nothing of more than ordinary importance. Omission rather than commission seems to have been the order of the day. Summer weakness and general dullness appeared rather earlier than usual. This may be attributed to various causes. The threatened revival of hostilities in the Balkans, the extreme congestion of the English market, and the continued demand from the investor for a higher interest return on his investments are chiefly responsible for this premature lethargy.

Within the past few months, municipal securities in Canada have been on trial. They have been through the fiery furnace of a searching investigation, and have emerged unblemished, so that today they are a better "buy" than ever before. But it is just as well that there should have been an enquiry into their merit. Our municipalities have been to a certain extent extravagant. Mr. Horne-Payne, a British financier, recently struck a warning note, in this regard. It is unfortunate that he was a little inopportune in so doing, but the shower of criticism which his remarks brought down would indicate that several of our western cities are finding that the cap fits. After much discussion, the general decision arrived at is that Canadian municipal debentures are inherently sound. Their intrinsic value remains the same, whether money is tight or money is easy. The cities are there, and the people are growingly there. To a very large extent what has been described as over-financing is not extravagance. Examine the causes, and you get the effect. The unprecedented influx of population into the western cities makes ordinary sanitary precautions necessary; hence unusual expenditure for water and sewers. To the same source may be traced the necessity for a high standard of civic comfort, visible in paved streets, good lighting and so on. If the western cities are going to get the people to live in them, they have got to make their cities worth living in. To put it in a word, unprecedented expansion necessitates unprecedented measures of financing. The majority of Canadian cities have honestly endeavoured to live up to the extraordinary obligations entailed by them, and the London market has generously opened its coffers.

The thing to remember is that these coffers have a bottom. They are not like the cruse of oil and the barrel of wheat, which never grew less, despite the inroads made upon them. Canadian municipalities have exhausted the supply of money in London, for the present. That is, broadly speaking. Even essential improvements must be postponed for a little, until such time as Throgmorten Street gets right again. Now, this does not mean that there is a panic. The COURIER has consistently disparaged the pessimism which of late has been so rampant among some financiers in Canada. There is not going to be a panic, but there is going to be a prolonged stringency. Canada is going through the mill—that is the only way she can get the wheat.

Despite much unfavourable criticism, the tale of the last three months is hopeful reading. Canadian bonds, it is generally recognized, have maintained as high a standard during the last quarter as any other similar securities in the London market. This fact speaks well for the ample security behind the borrowers. The London market has a keen appreciation of investments that are fundamentally sound, and in spite of the unfavourable reception tendered to recent issues, it will continue to have, as long as it has the money to offer more attractive prices for Canadian municipal debentures than for similar securities from other sources.

Following are the more important municipal issues in London during April, May and June, showing the amount left with the underwriters:

$5,340,000—Edmonton, Alta. .... 80% to Underwriters.
$ 938,000—Maisonneuve, Que. ....90% " "
$6,962,646—Montreal, Que. .... 66% " "
$2,350,000—Victoria, B.C. ....82% " "
$2,000,000—Province of Manitoba ....Subscribed fully.
$ 500,000—Prince Albert .... " "
$2,000,000—Port Arthur, Ont. .... " "
$5,000,000—Province of Saskatchewan .85% to Underwriters.
$2,765,000—Regina, Sask. ....Subscribed fully.

In the Canadian field, features worthy of note are the increased rate of interest yielded by high-class securities and the consistent sale of Canadian municipals over the border. Ontario towns which were formerly able to issue at 4½ or 5 per cent., now find difficulty in disposing of their flotations at 5 and 5½ per cent., some of them even extending to 6 per cent. in the hope of obtaining tenders at the par value of their debentures. This six per cent. basis has become the rule rather than the exception amongst the western municipalities. The continued demand for high grade municipals, yielding 5, 5½ and 6 per cent. is gratifying and encouraging. It affords, at any rate, a striking contrast to the apathy which characterizes the industrial bond market.

The marketing of Canadian municipals in the States has been given considerable prominence during the present depression, but only the attractive prices at which the offerings have been made can account for the wholesale absorption by Uncle Sam of this class of Canadian bargains.

Interest Disbursements in July

DURING this month, there will be paid out in interest and dividend disbursements in the neighbourhood of $56,000,000. This figure does not include the very large number of unlisted securities, nor the large sums which will doubtless be paid out all over the country by joint stock companies, which are quietly making substantial profits for their owners.

The chief items included in the aggregate of $56,000,000 are:

1. Dividend and Interest payment upon Listed Securities.
2. London Interest Payments.
3. Interest on Municipal and Government Debentures.

Of these, the first is the most important, since it includes all classes of companies, among which are railways, banks, loan and trust companies, telephones and telegraphs, assurance companies, public utilities, industrials and bonds. Possibly the railways would be responsible for the largest individual disbursement, in the way of dividend payments, with disbursements of various companies as interest upon their bonded debt a good second. These bond disbursements amount to approximately five million dollars, and in detail, are as follows:

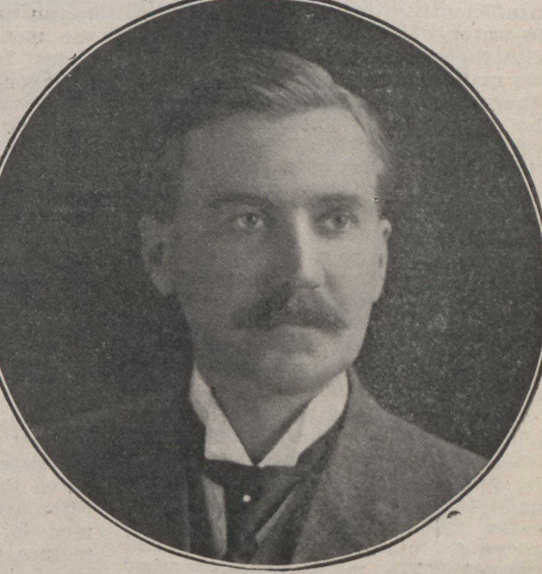
Company.	Rate.	Total amount Outstanding.	Interest Due.
Asbestos Corp'n. of Canada	5's	$3,000,000	$ 75,000
J. H. Ashdown Hardware Co.	5's	1,000,000	25,000
Alberta & Great Waterways Ry...	5's	7,400,000	185,000
P. Burns & Co., Ltd.	6's	1,469,900	44,097
British Columbia Breweries, Ltd...	6's	2,750,000	82,500
Canadian Cottons, Ltd.	5's	4,500,000	112,500
Canadian Light & Power Co.	5's	6,000,000	150,000
Canadian Locomotive Co.	6's	1,500,000	45,000
Calgary Power Co.	5's	1,849,800	46,225
Canada Atlantic Railway	4's	16,000,000	320,000
Canada Interlake Line, Ltd.	6's	200,000	6,000
Canadian Northern Railway	4's	4,513,347	90,267
" " "	4's	3,000,000	60,000
" " "	4's	5,558,382	111,167
Canadian Pacific Railway	5's	3,650,000	91,250
Cape Breton Electric Company...	5's	988,000	24,700
Central Railway Co. of Can.	5's	4,866,666	121,666
Chicoutimi Pulp Co.	5's	265,000	6,625
Crossen Car Co.	6's	544,806	16,344
Canadian Coal & Coke Co.	6's	1,781,100	53,433
City Central Real Estate Co.	5's	1,000,000	25,000
Dominion Park Co.	6's	150,000	4,500
Wm. Davies Co., Ltd.	6's	1,250,000	37,500
Dominion Iron & Steel Co.	5's	7,100,000	177,500
Dominion Cotton Co.	6's	2,400,000	72,000
Eastern Car Co.	6's	1,000,000	30,000
Grand Trunk Pacific Railway	3's	43,740,000	656,100
Gordon, Ironsides & Fares Co. ..	6's	1,250,000	37,500
Grand Trunk Western Railway ..	4's	10,967,200	228,344
Halifax Electric Tramway Co. ..	5's	600,000	15,000
Kaministiquia Power Co.	5's	1,742,000	43,350
Laurentide Co.	6's	878,199	26,346
Montreal Water & Power Co.	4½'s	4,538,167	102,109
Maritime Telegraph & Telephone Co.	6's	1,180,600	35,424
Montreal Light, Heat & Power Co.	4½'s	6,107,000	137,407
Montreal Tramways Co.	5's	13,335,000	333,375
National Breweries Co.	6's	2,000,000	60,000
New Brunswick Telephone Co.	5's	100,000	2,500
Nova Scotia Steel & Coal Co.	5's	5,946,900	148,672
Ontario Pulp & Paper Co.	6's	1,500,000	45,000
Ontario Power Co. of Niagara Falls	6's	2,985,000	89,550
Ottawa Gas Co.	5's	247,333	6,183
Prince Rupert Hydro-Electric Co.	5's	2,500,000	62,500
Rolland Paper Co.	6's	500,000	15,000
Riordan Pulp & Paper Co.	6's	1,500,000	45,000
Shawinigan Water & Power Co. ..	5's	4,731,500	118,287
Sherbrooke Railway & Power Co.	5's	948,500	24,712
Spanish River Pulp & Paper Co...	6's	2,066,000	61,980
Stanfields, Ltd.	6's	486,500	14,595
Steel Co. of Canada	6's	7,000,000	210,000
Sherwin Williams Co. of Canada..	6's	1,983,700	59,511
Standard Ideal Co. of Canada	6's	646,900	19,407
Toronto Electric Light Co.	4½'s	1,000,000	22,500
Toronto Power Co.	4½'s	2,433,333	54,750
Toronto Railway Co.	6's	600,000	18,000
Western Canada Power Co.	5's	4,909,613	122,740
Winnipeg Electric Railway Co....	5's	4,000,000	100,000
Western Dry Dock & Shipbuilding Co. .... (Port Arthur, Ont.).	6's	750,000	22,500
J. C. Wilson, Ltd.	6's	600,000	18,000
Aggregate		$217,510,446	$4,969,816

Fire Rates and the Public

By JAMES ANDERSON

EVERY now and then we hear of what is called the heavy fire rates or premiums charged by fire companies, doing business in Canada, and we see these rates contrasted with the fire rates charged in European companies while the general public come to the conclusion that Canada is being charged unduly to what the rates really should be.

While it is true that in Canada the fire loss ratio per annum is a little over $3 per capita, and in European countries in the neighbourhood of 33 to 35 cents per capita, one cannot help speculating upon the reasons for this enormous difference. There are many things which enter into the causes and, possibly, the greatest difficulty which fire underwriters have to encounter in Canada and the United States are climatic conditions. The European countries which are principally quoted are France, Spain, Germany, Italy and the United Kingdom, and it is hardly fair that a comparison should be made with these older countries with a much more equable climate than Canada, to say nothing of the building restrictions of the principal cities and



HON. W. T. WHITE,

Minister of Finance, Who has Gone to London to Renew Touch with the World's Financial Centre. He has been a Prominent Figure in the Past Quarter Because of the Successful Bank Act Revision which he Piloted Through Parliament.