

ment this week confirms the Monetary Times' report and makes it possible to name the companies interested. These are for the most part controlled by the firm of Drummond, McCaul & Company, of Montreal, and their associates, and the merger is being carried out by the aid of English capital, the present controlling interests, however, retaining their holdings. The merger will embrace the Canada Iron & Foundry Company, which controls the Macdougall Car Wheel Shops, the Montreal Pipe Foundry, at Three Rivers and Londonderry, N.S., and the Car Wheel Works and Pipe Foundry at Fort William. Another concern in the deal is the Canada Iron and Furnace Company, with furnaces at Midland, Ont., and Radnor Forges, Que., the Londonderry Iron & Mining Company at Londonderry, the John Macdougall Works at Drummondville, Que., and the Iron mines of Annapolis, N.S., and Bathurst, N.B., and Mayo, Ont.

#### Concerning Nova Scotia Steel Affairs.

For some time past it has been thought that the Nova Scotia Steel & Coal Company's dividend would either be passed or cut. The decline in the stock to around 50 and 55, since the beginning of the year, supported this belief. During last week the market suddenly broke to 46, although practically no stock changed hands at that figure. There is an impression that a leak took place somewhere or other and that certain interests were acting upon the knowledge that the dividend would be passed. It has been stated that a Halifax man has been going short of stock for a considerable time. Although it was not officially announced until Monday that the blast furnaces at Sydney Mines has been closed, a report from Halifax to the effect that they would close had been published some days previous in a local paper. The closing of a plant could hardly take place without news of the intention getting out some time in advance, so that there is nothing wonderful in the present occurrence.

The same might also be said of the passing of the dividend. Little stock has changed hands for some time past and the announcement of the passing of the dividend has affected the price comparatively little up to the present. It has been felt that a continuation of the 6 per cent. dividend would be unjustifiable and would send the price of the stock lower than its discontinuance. The manner in which Scotia is being held is a surprise, and it is conjectured that the shorts, finding that holders were not disposed to part with their stock, have already begun to cover.

The company is apparently in a good position. Shipments of coal for the first five months of the calendar year amounted to 223,49 tons, or 59,868 more than for the same period of 1907. This shows an increase of about 34 per cent. At the same time the price obtained is said to be in excess of a year ago. The falling-off in revenue would consequently be due to the iron and steel plant. How long the blast furnaces will be closed will depend upon the demand for these products, stocks of which have recently accumulated at the company's works. The company's affairs are evidently in good shape, and some look forward to an early resumption of the dividend on the common stock, particularly should the iron and steel business show an improvement.

#### Railway Will Enter Montreal.

The by-law to allow the Southern Counties Railway to enter the city of Montreal was finally adopted by the City Council on Monday. The new line is granted permission to run from the Victoria Bridge along Mill Street, to Black's Bridge and thence to the corner of McGill and Common Streets, there forming a junction with the Montreal Street Railway. The lines must be completed by November 1909.

The newest director of the Canadian Pacific, Mr. Robert Meighen, appointed last week to the vacancy created by the death of Sir Robert Reid, is an interesting personality. He is one of the best known and most successful business men in Montreal, and as president and active head of the Lake of the Woods Milling Company, is known all over Canada and beyond. He is also president of the New Brunswick railway, a director of the Bank of Toronto and of the Canadian Northwest Land Company, and the Dominion Transport Company, and is a member of the Board of Governors of the Royal Victoria Hospital. Mr. Meighen is an Irishman, as his name and disposition towards witticism and oratory indicate. He has spent practically all his life in Canada, having made his debut in business at Perth, Ont., many years ago. He is brother-in-law of Lord Mount Stephen, who was one of the famous builders of the C.P.R.

#### What Will Iron and Steel Company Do?

The shareholders of the Dominion Iron & Steel Company, as well as the public generally, are curious to know what scheme of finance will be proposed by the directors of the company at their annual meeting. The annual statement, which contained the announcement, gave practically no light upon the subject, simply contenting itself with stating that in view of the larger working capital required, the directors thought it well that a scheme for the re-organization should be considered, and as a preliminary the shareholders at the

annual meeting would be asked to authorize an increase in the capital stock of the company and the creation of consolidated mortgage bonds. Mr. Plummer, when spoken to on the matter, said that no policy in regard to immediate action had been settled upon, all that was asked for at present being power to issue new stock or bonds, should the need arise. What effect the new issue will have on the price of the securities of the company is a question which the street would like to have answered in advance.

#### SAINT STEPHEN TOWN.

##### Something of a New Brunswick District Which Will Do Great Things.

At the head of tide water on the Saint Croix River, about fifteen miles from its mouth, readily accessible by water or by rail, stands the town of Saint Stephen. And it claims to be one of the most enterprising centers in the Province of New Brunswick. The population is about 3,000; the town of Milltown adjoining has about 2,500 inhabitants, while just across the river is the City of Calais with 7,000 people, making a community of 12,000 or more, closely united in bonds, commercial and social. One plant, located in Calais, supplies gas for all three towns, while one plant operated in Milltown performs an electric light service. St. Stephen town has installed a water system which gives a bountiful supply of the liquid to the towns of the pleasant valley. Electric street cars make their regular trips through the three towns, crossing the free International bridges at St. Stephen and Milltown, while the telephone systems on both sides have a mutual arrangement of interchange for subscribers.

#### Is a Banking Town.

St. Stephen is a terminus of the Canadian Pacific Railway. Two lines of steamers from the Islands run there all the year, while a river steamer and the Washington County Railway from Calais give direct communication with all points in the United States. St. Stephen is the banking town for Milltown and a large surrounding prosperous farming population, which also does most of its trading here.

The future growth of this section of the county lies largely in the use of water in two directions. First, in the river's flow is immense power waiting to be harnessed. The United States Government experts reported the water-power of the St. Croix as one of the best on Atlantic coast on account of the reserve held by the great range of lakes at the head waters. A part of this power has recently been utilized by the St. Croix Pulp and Paper Company, who have erected large mills at Woodland, Me., a few miles up the river. For many miles above St. Stephen the river abounds in power privileges and capitalists will, no doubt, be drawn to them.

#### And What of This Harbor?

But perhaps the most interesting proposition is the utilization of the privileges that nature has given down the river. About six miles below St. Stephen is a sheet of water three miles long and from a mile to a mile and a quarter wide, with from 8 to 22 fathoms of water, good anchorage and complete protection from every wind that blows. The shores are bold and a hill of the best of building granite is right at hand, while the approach from the ocean is safe and easy. Add to this the fact that it is considerably nearer to Montreal than any other Atlantic port, and there is a situation which must attract attention and eventually give immense importance to the district.

#### EXCHANGE RATES.

Friday, 1 p.m.

The following prices are supplied by Messrs. Glazebrook & Cronyn, 75 Yonge Street, Toronto.

New York Funds	Par to 1.32 p.m.
Sterling—60 Days' Sight	9 1/4—1-64
"	9 9-16
Cable Transfers	9 1/2
Rates in New York	
Sterling—60 Days' Sight	4.85 1/2
" Demand	4.8705
Call Money in Toronto	6.7
Call Money in New York	1 1/2
Bank of England Rate	2 1/2
Open Market Discount Rate in London	
for Short Bills	1 1/2

The shareholders of the Ottawa Electric Company have unanimously endorsed the recommendation of the directors to issue \$750,000 worth of refunding and first mortgage 5 per cent. bonds, maturing in 1933.