

MUNICIPAL FINANCING

Montreal's Temporary Loan—Moose Jaw Issues
Treasury Notes

The Montreal city council received a communication from the Bank of Montreal on Monday notifying them that the quotation for the civic temporary loan of £750,000 for six months at 4½ per cent. could not be put through at that rate, as the discount since July 13th, when the offer was made, had risen from 4¼ to 4½ per cent. To this has to be added bank commission, bringing the total rate to about 5 per cent. The civic board of control will consider the matter.

At Sherbrooke a by-law to authorize the borrowing of money for street improvements was carried. Alderman L. H. Olivier, chairman of the finance committee, has made arrangements with the Canadian Bank of Commerce, through Mr. E. W. Farwell, local manager, to secure the money on bonds immediately. The bank will issue treasury bills to the amount of \$615,000, for a period of three or six months, and will take the city's bonds as security. The city will pay interest at 4½ per cent., plus the usual commission.

Moose Jaw Issues Treasury Notes.

The Moose Jaw commissioners recommended in a letter that the city council authorize the issue of treasury notes amounting to \$1,296,399.89 through the Bank of Montreal, through whose office the city's sterling debentures have been domiciled for the past two years. The letter explained that the state of the debenture market did not warrant the sale of the debentures at present. The issue of the notes was confirmed by a by-law.

In issuing treasury notes the municipality is allowed by law to issue them for the 80 per cent. of the face value of the debentures authorized by the vote of the people. This issue of notes is made as 80 per cent. of the total value of thirteen by-laws the total of which is \$1,610,499.86. The by-laws included in this are as follow:—General Hospital, \$75,000; fire alarm extension, \$17,000; Caron system, \$550,000; Or. light stand's, \$7,499; 11th Avenue Subway, \$95,000; Sewer programme, \$170,000; electric light, \$225,000; paving, \$160,000; roads improvement, \$25,000; high pressure system, \$60,000; parks improvement, \$40,000; Saskatchewan Mill Company, \$146,000; sidewalk programme, \$50,000; total, \$1,610,499.

Arrangements have been made by the city of Saskatoon with Messrs. Stone and Webster Engineering Company, New York, whereby the city will pay for the construction of a street railway by the issue of \$500,000 debentures direct to the contractors. The municipal authorities, therefore, will not place the bonds on the open market in the usual way.

Finances of South Vancouver.

A statement of the finances of South Vancouver has been prepared by Mr. J. B. Sprengford, clerk to the municipality, which gives in a concise way the borrowing powers and the estimates for the current year's expenditure. The sum necessary to finance the municipality this year is estimated at \$486,585.16, while the interest and sinking fund amount to \$153,341.03.

In addition to that amount the interest on school loans is \$39,787.13, and the school board's ordinary expenditure is estimated at \$80,957. The estimated rebate on taxes is \$30,000, and the arrears of taxes are expected to total \$50,000 this year. Thus the amount of \$486,585.16 will have to provide for municipal purposes for the year, pay interest and provide sinking funds on bonded debts. It will also allow for shrinkage in taxation by arrears and rebates, and contributions to charity estimated this year at \$4,000.

The existing debt is \$4,660,214.69, and the total assessment \$38,995,285.44. The municipality can borrow 20 per cent. of its assessment less the bonded indebtedness; thus the net borrowing power of the municipality is \$3,138,842.39.

The money required for the work of the year will be raised by taxation on a levy as follows: 12½ mills on improved land and 22½ mills on wild land.

Municipal Bond Bidding.

Two bids were received from Toronto bond houses for the Moose Jaw, Sask., \$150,000 and \$65,000 5 per cent. 30-year debentures, which were awarded Messrs. Wood, Gundy and Company.

Three Toronto bond firms bid for the \$97,000 5 per cent. waterworks, sewerage, street and school debentures of Kelowna, B.C. As previously noted, the award was made to Messrs. Amilius Jarvis and Company.

By the adoption of the minutes of the previous session the Windsor city council has virtually given formal ratification to the sale of \$195,000 worth of 4½ per cent. debentures to Wood, Gundy and Company, of Toronto, at a price of \$188,000.

Several members of the council thought that the price offered was considerably below what should have been re-

ceived, but Chairman Howell, of the Finance Committee, explained that the committee had ascertained that the present condition of the money market was such that the price of 98.3 was the best obtainable, and it had been deemed advisable to accept the offer of the Toronto firm.

Messrs. C. Meredith and Company, Limited, have purchased \$500,000 6 per cent. bonds of the Rolland Paper Company, Limited, and will make a private offering of the bonds at par and accrued interest. These bonds are the only outstanding bonds of the company and are secured by \$3,300,000 of fixed assets, and constitute a closed mortgage. The earnings are reported as being equal to 2½ times the bond interest requirements.

RECENT FIRES.

Monetary Times' Weekly Register of Fire Losses and Insurance.

Hull, Que.—July 15.—Mr. U. Viau's residence. Loss and origin unknown.

Dereham, Ont.—July 11.—Mr. J. Seaton's residence. Loss \$600. Origin unknown.

Ville Emard, Que.—July 15.—Brick house. Loss unknown. Origin, supposed incendiary.

St. Thomas, Ont.—July 16.—Mr. M. McVicar's barn. Loss \$3,500. Origin, struck by lightning.

Warton, Ont.—July 15.—Mr. G. Gault's barn, buggy and machinery. Loss \$2,000. Origin unknown.

Belleville, Ont.—July 17.—"Ontario" newspaper office. Loss, plant \$5,000, building \$1,500. Origin unknown.

St. Pamphile, Que.—July 15.—Mr. E. Choquard's sawmill and 100,000 feet lumber. Loss and origin unknown.

Montreal, Que.—July 10.—Montreal Cotton and Wool Waste Company's warehouse. Loss and origin unknown.

Eardley, Ont.—July 10.—Mr. J. Templeton's barns and contents destroyed. Loss \$600. Origin, struck by lightning.

Toronto, Ont.—July 15.—Duck's Hotel. Loss \$12,000. Insurance \$1,500. Origin, supposed to be rats chewing matches.

St. Gabriel de Brandon, Que.—July 16.—Quebec & Jacques Cartier Electric Company's plant. Loss \$50,000. Origin lightning.

Winnipeg, Man.—July 15.—Jubilee block. Loss, O.K. restaurant, \$5,000; Quong Suen Yen Company, \$3,000; others \$550. Origin unknown.

St. John's, Que.—July 15.—Provincial government exhibition buildings, including the grandstand, bandstand, dressing room, stage, horse stables, sheep and pig pens. Loss and origin unknown.

Pictou, N.S.—The plant of Atlantic Milling Company destroyed. Loss \$28,000, with \$13,000 insurance divided as follows:—Western, \$3,000; Norwich Union, \$3,000; Royal, \$2,200; Rimouski, \$2,000; Nova Scotia, \$1,000; Sweden Mutual, \$2,000. Origin unknown.

Port Tupper, N.S.—July 11.—Intercolonial freight shed's 2 piers, 20 freight cars and contents. Mr. M. A. McLeod's residence and contents, loss \$4,000, insurance nil. Mr. M. Campbell's dwelling and contents, loss \$2,000, insurance \$1,000. Mr. A. Murray's dwelling and contents, loss \$2,500, insurance \$1,000. Mr. J. Murray's dwelling and contents, loss \$2,500, insurance \$1,000. Mr. John Martin's dwelling and contents, loss \$2,200, insurance \$1,000. Mr. James Hennessey's dwelling and contents, loss \$2,000, insurance nil. Mr. Adolphus Embree's hotel and contents, loss \$6,500, insurance \$3,500. Messrs. Frost & Wood's warehouse, with machinery, on which the insurance is not known, loss \$50,000. Mr. Farquhar McPherson's barn, loss \$300, insurance nil. Mr. Edward Dorley's hotel and contents, loss \$700, insurance nil. Mr. H. K. McDonald's barn, loss \$300, insurance nil. Total loss over \$200,000. Origin unknown.

Messrs. Farson, Son & Company are offering in Chicago this week \$750,000 six per cent. collateral trust timber notes, backed by the obligations of the British Canadian Lumber Corporation, Limited, of Montreal. These notes are serials short terms, maturing January 1st, 1913, \$400,000 March 2nd, 1913, \$200,000, and June 2nd, 1913, \$150,000. The security is 4,300,000,000 feet of timber located on Massett Inlet, Graham Island, British Columbia. The bulk of the timber is spruce, hemlock, cedar and cypress. The rate of the loan is 17½ cents per thousand feet.

The Canadian Bank of Commerce has opened a branch at Rock Creek, B.C., under the supervision of the manager at Greenwood, B.C.