

Government and Municipal Bond Market

Good Volume of Municipal Securities Taken Up During Past Week—Irrigation Bonds Will Be Ready For Market Shortly—Vancouver Ratepayers Defeat Money By-Laws Totalling Nearly A Million and a Half—Financing Toronto Harbour Work

LISTS of July government and municipal offerings reflect in an accurate manner the position of the bond market at the present time. There does not appear to have been any material change during the past month, the trend of prices being neither up nor down, even though the volume of new issues has been considerable. It is interesting to note, however, the change since the beginning of the year. Ontario cities are now selling to yield from 6.10 to 6½ per cent., according to the grade of the security, as compared with 5½ to 6 per cent., in January. Western municipal, school and telephone debentures are presently offered to yield from 6.60 to 7½ per cent., as compared with 6.40 to 6½ per cent., six months ago. The yield on provincial securities has also been raised considerably, being around 6 per cent. now, as compared with between 5½ and 5.80 at the beginning of the year.

Speaking of the prices at the present time, Messrs. Wood, Gundy and Co. say in their monthly pamphlet: "Low prices do not in any way reflect upon the security behind the bonds. On the contrary, owing to heavy interest rates, which it is now necessary to pay, Canadian provinces and municipalities are restricting their expenditures as far as possible. Consequently, there is a probability of a shortage of these bonds, which should result in a strengthening tendency in the market."

Irrigation Bonds

Premier Stewart, of Alberta, has promised prompt action in connection with the irrigation projects in the south to a delegation last week, as provided by legislation. He has stated that bonds of the Lethbridge Northern district would be prepared at once, and would be ready for the market in about thirty days.

"There will be no further delay in the matter," said Mr. Stewart. "The preparation of the bonds has been held up for a little because of the inclusion of new areas, but this has now been settled, and we shall proceed at once in strict accordance with the terms laid down by the legislation. The offer of the bonds will not be confined to the Warren Construction Co., but will be free from restrictions of all kinds. We shall in the meantime look around for likely investors. The market is tight, to be sure, but a good many people are interested in this kind of security, and we shall do our best to make a good sale."

Coming Offerings

The following is a list of debentures offered for sale of which mention has been made in this or previous issues:—

Borrower.	Amount.	Rate %.	Maturity.	Tenders close.
Neelon and Garson Townships, Ont. . . .	\$ 10,000	6	20-instal.	July 3
Sudbury, Ont.	167,004	5 & 6	Various	July 3
St. Chrysostome, Que. .	7,000	6	10-yr. ser.	July 5
Swan River, Man. . . .	58,000	6	30-instal.	July 6
North Sydney, N.S. . .	131,000	6	20-years	July 9
Emily Tp., Ont.	20,800	6	10-instal.	July 10
Hawkesbury, Ont. . . .	179,000	6	Various	July 12
Kenora, Ont.	76,320.25	6½ & 7	Various	
Capreol, Ont.	17,000	6	10 & 20 inst.	July 24
Trail, B.C.	9,000	7	10-years	July 26

Township of Emily, Ont.—Tenders will be received until July 10, 1920, for the purchase of \$20,800 6 per cent. 10-

instalment debentures, the proceeds to be used for the municipal telephone system. R. J. Grandy, clerk; Omamee, Ont.

Trail, B.C.—Tenders will be received until July 26th, 1920, for the purchase of \$9,000 7 per cent. 10-year debentures. (See announcement elsewhere in this issue.)

Capreol, Ont.—Tenders will be received until July 24th, 1920, for the purchase of \$5,000 6 per cent. 10-instalment fire equipment debentures and \$12,000 6 per cent. 20-instalment electric light debentures. (See announcement elsewhere in this issue.)

Hawkesbury, Ont.—Tenders will be received until July 12, 1920, for the purchase of \$95,000 6 per cent., 20-instalment road debentures, \$65,000 6 per cent., waterworks and sewer extension 30-instalment debentures and \$19,000 6 per cent. 6-instalment bonus debentures. Eug. Paquette.

North Sydney, N.S.—The town is receiving tenders until July 9, 1920, for \$131,000 6 per cent. 20-year debentures as follows: \$50,000 for town hall; \$20,000 for fire equipment; \$25,000 for streets; \$3,000 for right-of-way loan; \$12,500 for sewer extension; \$12,500 for waterworks; \$8,000 for retiring debentures. Town clerk.

Kenora, Ont.—Tenders are being asked on the following debentures: \$10,000 7 per cent. 15-instalment, electric extension; \$25,000 7 per cent. 20-instalment, public improvement; \$7,755.38 7 per cent. 20-instalment, local improvement; \$20,000 7 per cent. 20-year sinking fund debentures, for waterworks; \$13,564.87 6½ per cent. sinking fund bonds, due 1953, for debt consolidation. No special date is set.

Debenture Notes

Islington, Ont.—Etobicoke Township intends to raise \$30,000 for a new school.

Kitchener, Ont.—The Separate School Board plans the raising of \$75,000 for a new school.

Louise, Man.—Voting at Crystal City, Man., was in favor of borrowing \$8,000 for a skating rink at Louise.

Amherst, N.S.—At the cost of \$40,000, the town council plans the erection of an addition to municipal hospital.

Moncton, N.B.—The city has practically decided upon a paving program this summer involving an expenditure of between \$175,000 to \$200,000.

Yorkton, S.D., Sask.—Messrs. Harris, Read and Co., Regina, were given on June 26, a 15-day option on \$85,000 7 per cent. 20-instalment debentures.

East Kildonan, Man.—Messrs. Strang and Snowden, of Winnipeg, have secured an option on \$150,000 6 per cent. 30-year serial bonds of the school board at 90.25.

Oshawa, Ont.—Ratepayers have voted in favor of issuing debentures to the amount of \$250,000 for waterworks purposes. A bridge money by-law has also been passed.

Kingston, Ont.—No more permanent paving will be done this year after the present works are completed, in order to keep the increase in the debenture debt down to a minimum.

Sudbury, Ont.—A by-law has been passed by ratepayers authorizing the expenditure of \$27,000 on new water mains.

Delta, B.C.—Municipal council proposes to expend \$100,000 on paving Delta Rd.

Melita, Man.—The hospital debenture by-law has been defeated by all districts except Melita. The proposed hospital area under the by-law, covered the municipalities of Arthur, Edward, part of Albert and Melita.

Regina, Sask.—The city council will be asked to issue bonds to finance arrears of school taxes assessed against property for which the city is securing title under the arrears of taxes proceedings.