

BURNABY BOND DISPUTE SETTLED.

The dispute in regard to the treasury certificates of the district of Burnaby, B. C., has been settled. Messrs. Spitzer, Rorick and Company, Toledo, Ohio, offered to settle on the basis of par and accrued interest to July 27th. This offer was accepted by the district of Burnaby. Spitzer, Rorick and Company voluntarily withdrew the suit in the New York courts and will pay all the legal expenses in connection with the action. The treasury certificate issue of \$1,250,000 has been redeemed and the collateral debentures of \$1,716,000 have been surrendered by the Equitable Trust, of New York, to the Royal Bank of Canada for cancellation.

The Monetary Times gives the following details:—

The district of Burnaby sold in November, 1913, to Spitzer, Rorick and Company \$1,250,000 three-year notes, the district having the privilege of redeeming them at any interest date after November, 1914, upon giving six months' notice, providing the proceeds for the retirement of the notes were derived from the sale of the collateral bonds held as security for the notes. Should the notes not be retired by the municipality by September 1st, 1916, the Toledo bond firm were to have the right to sell the bonds held as collateral against the notes at any price fixed by the bond house. The collateral bonds, which amounted to \$1,716,000, were 4½ and 5 per cent. long-term bonds, maturing in various years between 1927 and 1953. These were deposited with the Equitable Trust Company, of New York.

During the past year the municipality recognized that the conditions were changed, and that they would not require to spend as much money on local improvements, etc., as had been anticipated. They, therefore, sought power from the British Columbia Legislature to make an issue of \$1,000,000 6 per cent. serial debentures, maturing in 20 instalments, in place of the \$1,716,000 long-term securities noted above. This action, they pointed out, would reduce the debenture debt by \$716,000, and would also reduce the annual levy by over \$15,000. This was considered a wise and economical move, in view of prevailing conditions, and the Provincial Legislature, therefore, gave the necessary authority for the change.

The district then proceeded to issue the \$1,000,000 serial bonds, which, with the sinking funds already in hand, which had accrued on account of the collateral bonds of \$1,716,000, and the unexpended balance of the proceeds of the note issue, would put the district in funds to retire the \$1,250,000 treasury notes, and still leave a small balance available for application to complete the various works authorized by the several by-laws under which the collateral bonds were issued. With the serial issue outstanding the notes automatically would be retired.

The district decided to call for tenders for the serial bonds. Spitzer, Rorick and Company did not bid for them. Several bids were received and the bonds were awarded to Wood, Gundy and Company, Toronto. The district stipulated that the proceeds from the sale of the \$1,000,000 serial bonds were to be paid to the municipality by a certain date. In this way they would have the funds to retire the notes in May instead of in November, 1916, thereby saving a half-year's interest charges. Due notice of their intention to retire the treasury notes was advertised 30 days prior to May 17th. The Toledo bond house then issued an injunction on behalf of a number of the noteholders to restrain the district from redeeming the notes in the way proposed. The case has now been settled in the manner noted above.

\$300,000,000 FOR LUMBER.

The Wall Street Journal recently published the following in regard to the lumber that will be needed in the reconstruction of the war-swept portions of Europe:—

"When Europe begins the work of reconstruction an immense amount of lumber will be needed. So, too, South and Central America, which have heretofore been importers of lumber, must again call for the material as soon as ocean transportation facilities permit. An immense market for lumber should then develop. The man who has money to invest may find it worth while to consider this demand, and the possible source of supply.

"A bird's-eye view may be had by looking at San Francisco, Baltimore, or Messina. For instance, in the year following the earthquake Italy imported lumber to the value of \$33,000,000. The amount that went to Messina district was 700 times greater than normal. Set Belgium, Northern France and Poland in opposition to Messina, and \$300,000,000 worth would seem ultra-conservative, although any figures at this time must be largely guesswork.

"It is certain that building activity has almost ceased in Great Britain and France. It is a fair inference that the same conditions exist in Germany and Austria. It would seem as if all the belligerents are too busy making and expending ammunition to find time to saw up boards for industrial use. South America is at a standstill, not because it does not want the lumber, but because of war's disarrangement of transportation.

"The United States, Canada and Russia are large producers of lumber. But in the United States there is a large population of lumber consumers. The annual cut now is 15 per cent. less than five years ago. Our share of the world export trade is above \$100,000,000 a year. Since the war it has been reduced nearly one-half. What is supplied for European rebuilding must be at the expense of our domestic needs.

"A promising source of supply is in Central Russia, Siberia and the Caucasus. Russia itself will consume enormous amounts of lumber, but this is a source in which she is rich. The timber is there, and the market will soon be. The lumber business in Russia is, however, conducted on lines as out of date as its agriculture. If there be any Alexanders among the lumbermen of the United States, in the forests of Russia they may find new worlds to conquer."

DEEP-SEA LUMBER SHIPMENTS FOR SIX MONTHS.

	Foreign Shipments.		
	First Half 1916.	First Half 1915.	First Half 1914.
British Columbia.....	18,728,354	20,362,111	17,019,195
Puget Sound	71,816,514	76,050,976	99,026,852
Grays Harbor	20,308,607	25,503,442	45,206,433
Willapa Harbor	3,146,178	2,480,227	9,139,445
Columbia River	37,699,702	39,709,229	115,272,340
Coos B., Ore. Cst.....	.....	56,292	.....
Totals	151,699,355	164,162,277	285,664,265

	California Shipments.		
	First Half 1916.	First Half 1915.	First Half 1914.
British Columbia .....	.....	725,572	.....
Puget Sound	121,499,797	89,168,792	91,703,727
Grays Harbor	109,520,098	94,388,248	157,009,504
Willapa Harbor	36,856,238	21,108,814	60,342,269
Columbia River	127,901,009	113,558,560	154,305,711
Coos B., Ore. Cst.....	108,968,251	108,684,696	107,394,570
Totals	504,745,393	427,634,682	570,755,781

	Offshore Domestic Shipments.		
	First Half 1916.	First Half 1915.	First Half 1914.
British Columbia.....	.....	10,044,961	3,555,317
Puget Sound	25,965,467	51,867,889	17,403,768
Grays Harbor	1,718,386	11,909,322	4,297,168
Willapa Harbor	828,071	7,357,503	921,134
Columbia River	4,534,994	17,843,440	20,354,882
Boos B., Ore. Cst.....	.....	.....	.....
Totals	33,046,918	99,023,115	46,532,269

	Recapitulation.		
	First Half 1916.	First Half 1915.	First Half 1914.
British Columbia.....	18,728,354	31,132,644	20,574,512
Puget Sound	219,281,778	217,087,657	208,134,347
Grays Harbor	131,547,091	131,801,012	206,513,105
Willapa Harbor	40,830,487	30,946,544	70,402,848
Columbia River	170,135,705	171,111,229	289,932,933
Totals	689,491,666	690,820,074	902,952,315