

The Monetary Times has previously emphasized the importance of the proper conduct of municipal sinking funds and the mistake made by some civic authorities in investing these funds in mortgages. On present outstanding issues having sinking fund provisions, cities should create boards of sinking fund commissioners and all sinking funds should be invested by them in debentures of their own or other cities, having a maturity not later than maturity of the issue for which the sinking fund is created.

Finance on Business Basis.

Generally speaking, however, complaints of Canadian municipal finance have been few. As Mr. E. R. Wood recently pointed out, Canadian municipalities are realizing the importance of placing their finances on a sound business basis, and adopting a conservative policy in regard to all expenditures. For some years past the rapid growth of western Canada placed the progressive cities and towns under the necessity of making heavy capital expenditures, in order to provide those utilities demanded by modern standards of health and comfort. To the conservative investor these frequent loans were not always acceptable, but to-day the credit of our western municipalities stands high. There is a growing public sentiment in western Canada against extravagance in municipal finances. Nothing is more indicative of the high standing of western municipal securities than the growing favor with which they are being regarded by the British investing public. A few years ago only the obligations of the largest centres in western Canada could be placed in the London market, while, during recent years, the British investor has taken in considerable quantity the debentures of those smaller cities and towns whose location and natural advantages give promise of rapid and permanent expansion. Eastern Canadian municipalities have, as a rule, pursued their usual conservative policy in making new expenditures, and, as a result, their debentures have been readily absorbed, both at home and abroad.

The proposal in various provinces to exercise some control over municipal borrowing is looked upon with favor, so Mr. J. G. Colmer, a London banking authority,

tells *The Monetary Times*, and if the principle could be somewhat extended, it would probably be better for the securities that are issued, and increase their popularity. Whether it is practicable, or even desirable, is another story. But the governments, Dominion and provincial, the councils of the great cities, the banks and the boards of trade can do much in a general way to exercise some scrutiny over such matters; and if they will continue to give their services and supervision in helping to maintain the financial position of Canada they will deserve well of the present generation and of posterity, adds Mr. Colmer.

The British investor continues to buy the largest share of Canada's municipals, as shown in the following table:—

Year.	Municipals purchased by		
	Canada.	United States.	Great Britain.
1910	33.70	1.	65.30
1911	34.62	4.95	60.43
1912	28.42	8.	63.58
1913	22.33	19.12	58.55

Canadian municipal flotations in London this year to date have been as follows:—

	Amount.	Rate %.	Price.
South Vancouver	£ 200,000	5	91
Calgary	719,600	5	97
North Vancouver	76,700	5	92
Medicine Hat	162,900	5	92
Maisonneuve	92,500	5	100
New Westminster	188,000	5	95
Point Grey, B.C.	381,500	5	100
Vancouver	425,000	4½	98½
Winnipeg	1,150,000	4½	98
	£3,396,200		

Nine Years to Date.

These figures make a total of £38,038,831 of Canadian municipal flotations overseas from January, 1905, to March, 1914. Several large issues are planned in the near future, among them being loans of Montreal, Toronto, and Victoria.

NEW YORK GETS AFTER INCENDIARY

The fire commissioner of New York has announced the appointment of a special committee on fire insurance and arson.

The committee will suggest reforms in the method of issuing fire insurance policies.

"There is no doubt that arson is a serious factor in the fires of this city," says New York's fire commissioner. Fire chief Kenlon estimates that not less than 25 per cent. of our fire loss is due to arson, and others put the figures higher. Commissioner Johnson rendered valuable services to the city in calling attention to the arson evil, but unfortunately the necessary remedial measures did not follow his disclosures. The situation is just as bad, if not worse, than before.

"The main incentive to arson is insurance. Certainly there is enough good sense in our community to devise a practical means of preventing criminals who make fires from profiting by insurance. One suggestion, made by Mr. Frank R. Chambers, which will be put into immediate effect, is to fix responsibility more closely upon the broker who issues insurance policies to improper persons. Hereafter these brokers will be summoned in person by the fire marshal in all cases of suspicious fires, and will be made to disclose just what knowledge they had of the insured before accepting his application for insurance. Where the evidence justifies it, application will be made to the State insurance department to cancel the license of the broker."

BANK OF VANCOUVER

In referring to the reorganization of the Bank of Vancouver last week, it was stated that Mr. R. P. McLennan was general manager. This was an obvious error. He is the president of the bank, while Mr. C. G. Pennock is the general manager.

ALBERTA'S COAL OUTPUT

From 289 coal mines in operation in Alberta in 1913, 4,306,346 tons of coal were mined, 65,167 tons of coke produced and 130,861 tons of briquettes made. Engaged in the industry, inside and outside the mines, were 8,863 persons. The output of coal since the inauguration of the province has been as follows: 1905, 811,228; 1906, 1,385,000; 1907, 1,834,745; 1908, 1,845,000; 1909, 2,174,329; 1910, 3,036,757; 1911, 3,694,564; 1912, 3,446,349; 1913, 4,306,346. The increase in 1913 over 1912 was 24.95 per cent.

One million tons of coal were exported from Alberta during the year to other provinces in the Dominion and to the United States.

The classification of the output last year was as follows, the figures being tons:—Lignite, 1,763,225; bituminous, 2,374,401; anthracite, 168,720; used in coke production, 104,012; coke produced, 65,167; briquettes produced, 130,861.