

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Reference was made in *The Monetary Times* last week to the action in which the Christian Brothers sued the city of Maisonneuve for \$500,000 worth of debentures, being the balance of the price alleged to be due for the properties purchased by the city from the Christian Brothers in 1914 for the purpose of a public park at Maisonneuve.

As the result of an understanding between the parties, Mr. Justice Archer, on Thursday last week agreed to render judgment on the action "at the demand of the plaintiffs." Until then, therefore, the case stands adjourned.

Mr. W. A. Baker, K.C., who appeared for the city of Maisonneuve, stated that at the coming session of the legislature, Maisonneuve intended to ask for an extension of its borrowing powers which would enable them to pay to the Christian Brothers the amount owing to complete the transaction in question.

Mr. P. St. Germain, K.C., for the plaintiffs, said he had no objection to the postponement, as it would not prejudice the claim in any way.

Maisonneuve agreed to purchase this property for \$1,500,000, of which sum \$500,000 was paid in cash on the date of sale, May 1, 1914. On the same date \$500,000 worth of city of Maisonneuve debentures were delivered to plaintiffs, the balance of \$500,000 being payable in like debentures within four years of the date last named. This part of the agreement, however, had not been carried out, and on that default the present action was based. The city had offered debentures to the value of \$308,000, which formed the sum total of the amount Maisonneuve had available to complete the transaction. The balance of the bonds, worth \$192,000, had been transferred to others in virtue of claims to the title of certain parts of the property purchased, and the question at issue, according to the pleas, turned on the regularity of the transfer of the debentures to the value of \$192,000.

North Cowichan, B.C.—The council has decided to repurchase \$15,000 of the issue of \$50,000 of bonds five years ago. The bonds were originally sold at 94, yielding 7 per cent.

Ottawa, Ont.—An increase of \$1,776,297 in the city's assessment, and an increase of 988 in population over 1916 figures are shown in the report completed by Mr. F. H. Veale, assessment commissioner. The total assessment of the city is given at \$11,472,000, and the population as 101,549.

Brantford, Ont.—The ratepayers will vote at the next municipal election on a by-law authorizing the issue of debentures to the value of \$40,000 for the construction of the St. Paul Avenue subway. The Grand Trunk Railway system has been ordered by the Dominion Railway Commission to pay \$7,000 toward the cost of such a subway. In the event of the ratification of the by-law by the people, the construction of the subway will be postponed until after the war and undertaken then as a measure to afford employment to returned men.

Saskatchewan.—Many subdivisions are being restored to acreage in territory surrounding our cities and larger towns, reports Mr. J. N. Bayne, deputy minister of municipal affairs. The fact that councils are now allowed to compromise or accept a reasonable amount of taxes on such subdivisions is hastening their return to the category of farm lands, from which, in many cases, they should never have been taken. It is well that each municipality should do what it can to encourage elimination of the useless subdivision, which too often is only holding back agricultural production.

Saskatchewan.—The tax sale provided for under the arrears of taxes act, with which each municipal secretary-treasurer is familiar, calls for an annual sale, and throughout the province wherever arrears have accumulated against land, the latter is being sold on account of the taxes. The person who wishes to buy these lands has a direct advantage, for if the land is redeemed before the period of redemption expires he is entitled to 10 per cent. interest on all taxes which he pays for each year concerned, and if the owner does not redeem, the property vests in the tax purchaser in due course. However, the prosperity now so common in Saskatchewan is

resulting in a general clearing of arrears of taxes, so that comparatively few areas, particularly in the rural districts, will be actually sold. It is always to the advantage of the taxpayer when he clears his taxes in the same year in which they are imposed.

Saskatchewan.—The following is a list of debenture applications granted by the Local Government Board from October 8th to 13th, 1917:—

School Districts.—Prussia, \$5,500 20-years not ex. 8 per cent. annuity; A. M. Brown, Prussia. Hill and Hollow, \$2,000 10-years not ex. 8 per cent. annuity; E. Berdan, Dahlby. Vantage, \$2,300 10-years not ex. 8 per cent. annuity; J. M. Bright, Vantage. Liberator, \$2,000 10-years not ex. 8 per cent. annuity; E. N. Grandall, Radville.

Rural Telephone Companies.—Woodend, \$2,800 15-years not ex. 8 per cent. annuity; J. R. Palmer, Estevan. Lake Johnston, \$800 15-years not ex. 8 per cent. annuity; F. E. Crosby, Expanse. Stranraer, \$15,800 15-years not ex. 8 per cent. annuity; C. W. Rowbotham, Stranraer. Shallow Lake, \$200 15-years not ex. 8 per cent. annuity; H. J. Veal, Marchwell. Unity, \$36,400 15-years not ex. 8 per cent. annuity; T. C. Frost, Unity. McDonald Hills, \$15,000 15-years not ex. 8 per cent. annuity; W. Grant, Dysart. Hawarden, \$2,200 15-years not ex. 8 per cent. annuity; M. J. Brown, Hawarden.

The following is a list of debentures reported sold from October 8th to 13th, 1917:—

School Districts.—Sully, \$1,600; Great-West Life Assurance Company, Winnipeg. Wolseley, \$2,300; Robt. Cann, Wolseley.

Rural Telephone Companies.—Coleville, \$1,000; Wood, Gundy and Company, Saskatoon. Bresaylor, \$10,500; Mr. Thomas, Bresaylor. Carnoustie, \$2,000; H. O'Hara and Company, Toronto. Ethelton, \$2,300; Union Bank of Canada. Gregherd, \$7,000, Spring Valley, \$5,200, Quill Lake, \$3,700, Alask, \$21,500; W. L. McKinnon and Company, Regina. Fondlater, \$6,000; Victoria Loan and Savings Company, Lindsay, Ont.

Village.—Riverhurst, \$2,550; W. L. McKinnon and Company, Regina.

RAILROAD EARNINGS

The following are the earnings of Canada's transcontinental lines during the first three weeks of October:—

Canadian Pacific Railway.				
	1916.	1917.	Inc. or dec.	
October 7	\$2,966,000	\$2,842,000	—	\$124,000
October 14	3,034,000	3,333,000	+	299,000
October 21	2,932,000	3,429,000	+	497,000
Grand Trunk Railway.				
October 7	\$1,319,090	\$1,342,050	+	\$22,960
October 14	1,300,095	1,312,505	+	12,410
October 21	1,200,044	1,254,304	+	54,260
Canadian Northern Railway.				
October 7	\$857,400	\$758,500	—	\$98,900
October 14	847,700	960,600	+	112,900
October 21	839,700	872,300	+	32,600

For the third week of October gross earnings of the three principal Canadian railways were slightly less than the total for the preceding week. Both the Grand Trunk and Canadian Northern reported decreases, but the Canadian Pacific aggregate for the third week was the largest thus far this month.

The Grand Trunk figures for the week ended October 21st stood at \$1,254,304, which is an increase of \$54,260, or 4.52 per cent. over the corresponding period of 1916. As compared with the second week of the current month, there was a decrease of approximately \$68,000.

The Canadian Northern earnings totalled \$872,300 for the seven days, contrasting favorably with the \$839,700 for the same week of last year, but falling behind the second week's record of \$960,600.

Canadian Pacific gross figures have shown steady improvement since the beginning of the month. The third week's earnings were reported at \$3,429,000, which is \$497,000, or 16.95 per cent. larger than for the same week of 1916, and \$96,000 in excess of the week of October 14th.