

JOURNAL OF COMMERCE
ESTABLISHED 1875

SHAREHOLDER
ESTABLISHED 1878

THE JOURNAL OF COMMERCE

With which is incorporated

The Shareholder

A Weekly Journal devoted to Finance, Banking, Insurance, Commerce, Industry and Transportation.

J. C. ROSS, M.A., Editor.

Published by The Industrial and Educational Press, Limited

Read Building, 45 St. Alexander Street, Montreal.

Phone Main 2662

Toronto Office, 44-46 Lombard Street.

Phone Main 6764.

Vol. LXXVI.

MONTREAL, SATURDAY, AUGUST 23, 1913

No. 33

PRINCIPAL CONTENTS.

Should a Commission Supervise our Municipal Borrowings.....	1283	The Value of Britain's Crown Colonies.....	1294
Will the Financial Stringency drive the world to Bi-Metalism?	1284	Among the Banks	1294
Immigration and our Borrowings.....	1285	Our London Letter.....	1295
To compete with International Nickel Company....	1286	Harbour Developments in Montreal	1299
Montreal Wholesale Markets.....	1288	The Western Crop Prospects	1306
The Money Market	1289	Insurance Notes.....	1308
Canada's New Banking Act.....	1290	Financial Notes	1309
Security Offerings	1291	Railway Earnings.....	1311
Among the Companies	1291	Stocks Listed on the Montreal Exchange.....	1314
Financial Review.....	1292	Stocks Listed on the Toronto Exchange.....	1315
		Bonds Listed on the Montreal Exchange.....	1316
		Bonds Listed on the Toronto Exchange.....	1318

SHOULD A COMMISSION SUPERVISE OUR MUNICIPAL BORROWINGS?

If Canadian municipalities are to profit from the recent curtailment of their credit in London, they must at once set about inaugurating reforms. The western cities took great offence at the remarks of Mr. Horne Payne. Possibly, they were justified in taking exception to his caustic comments, but at the same time, he undoubtedly had some reason for making his criticisms.

There is scarcely a municipality in Canada that has not found it difficult during the past year or two to secure sufficient funds for municipal purposes. It must be pointed out, however, that our cities, especially the western cities are growing at an abnormally rapid rate and their requirements for new streets, sewers, sidewalks and other public utilities are continually on the increase. The real trouble is found in the more or less hit-and-miss way in which the financing is undertaken. Many well-meaning, but inexperienced men are placed in

charge of municipalities and, because of their lack of training, or as the result of being too ambitious, they undertake most extensive civic improvements, borrow money right and left and thereby mortgage their children's future. These men have had little or no experience in financial matters and still less in municipal affairs and it is not surprising that they often make serious blunders. The wonder is that they have succeeded as well as they have.

We would like to see an improvement made in the present method of municipal financing and believe that the following suggestion would prove beneficial. Briefly put, our scheme follows:—

Each Province in the Dominion should appoint a Municipal Board of three members, consisting of a Financial Expert, a competent Engineer experienced in municipal matters, and a successful business man. The duty of this commission would be to consult with and advise any municipality in the Province which decided to place a loan. The city council, after discussing matters and coming to some