

MORATORIUM LAWS TO BE AMENDED

Manitoba Will Take Action to Prevent Use of Law as Instrument of Fraud

In view of the criticism of moratorium laws of Manitoba, *The Monetary Times* has asked Hon. A. B. Hudson, provincial attorney-general for a statement on the matter. This he has kindly given in the following form:—

"These laws have been the subject of a great deal of discussion and it is probable that some amendments will be proposed at the next session of the legislature, but I am not in a position at the present time to state what is likely to be done.

Two Acts in Manitoba.

"There are in Manitoba two acts relating to the matter. The first is the one commonly referred to as the moratorium which was first passed by the legislature in the autumn of 1914. In the spring of 1915, this act was practically repealed and new provisions substituted the effect of which is that all proceedings under mortgages or other contracts relating to lands, are stayed until some interest, taxes or fire insurance is in arrears for one year or more. This act does not refer to mortgages or contracts entered into after August 1st, 1914. The passing of the law no doubt worked hardship to creditors in many cases, but on the other hand, was no doubt of real service to a large number of debtors. It is not possible to say when the act will be officially repealed, but it will in time, work itself out to a large extent.

Has Been Used for Fraud.

"The other act in the nature of a moratorium is known as the war relief act passed in April, 1915, for the protection of soldiers and prevents action being taken against soldiers or their wives or dependants for the enforcement of payment of debts or obligations until after the termination of the war. This act has not worked satisfactorily. Some improvements were made during the session of 1916, but there is great difficulty in altering a law of this kind where a considerable number of men have gone to the front, relying on its provisions for the protection of their families. It has been used as an instrument for the perpetration of fraud in a number of cases, and I expect that another attempt will be made at the coming session of the legislature to make some improvement.

"I do not feel at liberty to discuss the matter more fully than this at the present time."

ALGOMA STEEL'S HEAVY UNFILLED ORDERS

In the first of its periodical statements to shareholders, the Lake Superior Corporation states that for four months ending October 31st there were produced 131,600 tons of ingots and 82,500 tons of finished material. Production has not quite come up to expectations, due to labor difficulties generally. Conditions, however, are improving and the results for the last few weeks have been more satisfactory.

The output is practically sold up for the ensuing year. At October 31st the Steel Company had approximately 380,000 tons unfilled orders on hand, the tonnage preponderating being shell steel and steel rails. Prices are satisfactory, but profits on war material cannot be as high as in the United States, says the report, from the fact that heavy duties plus war taxes are payable in Canada, and in addition it must be kept in mind that the price of steel rails has increased but slightly in comparison with other steel products.

Full details are given with regard to the investment account of the corporation, which stands on the books at \$47,974,556, and the par value of the securities held is \$62,188,815. The reserve for depreciation of securities at the end of June 30th last was \$710,953, which amount deducted from the book leaves a net value of \$47,263,603. The larger items in the list given at par value are Algoma Central & Hudson Bay Railway, \$5,000,000; Algoma Steel Corporation, \$30,800,000; Ontario Lake Superior Corporation, \$20,000,000. Among the holdings also at the end of the year in question, that is, at June 30th last, were 5,240 shares of Spanish River common and 297 of the preferred, which since the close of the year have been disposed of for \$92,550.

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