

MUNICIPAL BOND MARKET

The Monetary Times' Weekly Register of Municipal Activities and Financing

Commenting upon *The Monetary Times'* records (published in these columns last week), of Canadian municipal bond sales, the *Montreal Gazette* says:—

In Canada itself the money market was monopolized in November by the Victory Loan. Some small issues placed by Saskatchewan municipalities aggregated \$134,191, and the balance of the month's total was made up of a \$40,000 issue by Dorval, Quebec.

The outlook for any extensive financing by the municipalities in the closing weeks of the year can hardly be considered encouraging. The investment market here is likely to continue limp for a while because of the extraordinary effort made in enlisting available resources to the support of the Victory Loan. There are no indications of any raising of the barriers in the United States markets. Only very urgent demands from high class borrowers, and for the most part from borrowers engaged on war work, are being considered by the bankers there. The situation, it may be hoped, may change at least slightly for the better in January, when the end of the year tension has relaxed and the large disbursements of dividends and interest become a factor in the money market.

If, as seems probable, the Canadian total for the year will not exceed \$25,000,000—it may be a couple of millions less—it will be less than half the total of 1916 and less than a quarter the total of 1913. In the latter year, Canadian municipalities sold securities to a total par value of no less than \$111,350,642; British investors alone absorbed \$60,639,350, although only six years before the grand total of Canadian municipals sold had been only \$14,430,540. The heavy inflow of new money for municipalities around the 1911-13 period, was one of the influences which imparted a somewhat artificial prosperity to the close of a period of national expansion. Taking *The Monetary Times'* figures of sales of Canadian municipals for the first 11 months of the year, and setting them against the figures of the big year of 1913, the following striking comparisons are offered:—

Where sold.	1917.	1913.
Canada	\$16,322,714	\$ 20,550,239
Great Britain		60,639,350
United States	5,538,925	21,168,053
Total	\$21,861,639	\$111,350,642

Bankers are inclined to view present restrictions on borrowing as having good features as well as bad. Deficits in municipal budgets can no longer be viewed lightly and programmes of unnecessary improvements gone ahead with regardlessly. If economy in municipal expenditure still falls short of what might be considered desirable, at least necessity is stimulating some effort to live within income. But there is some expenditure of a necessary sort probably awaiting a better money market.

Stratford, Ont.—A by-law for \$20,000 has been passed by the council for the British Red Cross, to be raised by three-year debentures.

Carleton, Ont.—Tenders for an issue of \$60,000 5½ per cent. 40-year debentures are invited by Mr. Chas. MacNab, county clerk, Ottawa, Ont.

Vancouver, B.C.—It will be necessary to offer \$100,000 5 per cent. debentures in order to obtain the net sum of \$75,000, which is needed for school purposes.

Campbellton, N.B.—J. T. Reid, town clerk, reports the city's assessed value of real estate and personal property for 1916 as follows: Real estate, \$1,970,450; personal property, \$277,100; making a total of \$2,247,550. The bonded debt was \$415,000.

St. Andrew, N.B.—Mr. F. H. Grimmer, town treasurer, reports the city's assessed value of real estate and personal property as follows: Real estate, \$557,300; personal property, \$114,100. The bonded debt was \$25,000, rate of interest 5 per cent., sinking fund, \$1,403.

Windsor, Ont.—Tenders up till December 14 will be received for the following local improvement debentures: \$46,024 5 per cent. 20-years; \$80,439 5 per cent. 10-years; \$97,193 5 per cent. 10-years; \$32,178 1½ per cent. 30-years. Acting clerk, M. A. Dickenson, Windsor, Ont.

Edmonton, Alta.—An issue of treasury bills for \$750,000, against debentures issued for public improvements and work which had already been completed, was authorized by the city

council. These were considered attractive, but the city was only successful in placing about \$350,000 of these notes. The balance was taken by the Imperial Bank, and against them the bank advanced sufficient money to pay the coupons for interest on debentures for the balance of the year.

Moose Jaw, Sask.—At a recent meeting of the private bills committee of the Saskatchewan legislature a bill was passed to extend the time for issuing debentures under certain by-laws of the city of Moose Jaw. Moose Jaw desires the extension and the legislature has adopted the principle that there should be submission to the people should they desire to go ahead. Exception is made in the case of two by-laws providing for the extension of certain water mains and sanitary sewers in River Park and Wellesley Park, owing to the fact that the city is under contract. The committee accepted the recommendation of the local government board in this connection and the time for issuing debentures is extended from four to six years.

Saskatchewan.—The following is a list of authorizations granted by the local government board from November 26th to 30th, 1917:—

School Districts.—Kandahar, \$1,000 10-years not ex. 8 per cent. annuity; R. J. Pringle, Kandahar. Bausley, \$2,000 10-years not ex. 8 per cent. annuity; P. H. Lewis, Perdue.

Rural Telephone Companies.—South Ceylon, \$400 15-years not ex. 8 per cent. annuity; R. L. Beal, Ceylon. Storthocks, \$2,400 15-years not ex. 8 per cent. annuity; C. A. Handsfield, Storthocks. Marine, \$2,600 15-years not ex. 8 per cent. annuity; J. A. Meyer, Torquay. North Ceylon, \$1,300 15-years not ex. 8 per cent. annuity; S. Bean, Ceylon. North Webb, \$2,100 15-years not ex. 8 per cent. annuity; C. Williams, Webb. Ruddell, \$15,300 15-years not ex. 8 per cent. annuity; A. E. Steele, Maymont.

The following is a list of debentures sold from November 26th to 30th, 1917:—

School District.—Middagh, \$1,800; J. H. Kern, Moose Jaw.

Rural Telephone Companies.—Engelfeld, \$44,700; S. L. Ross, Regina. Shackleton, \$800; Indian Head Sinking Fund. Lockwood, \$1,500, East Lockwood, \$500; Mrs. Mary Hislop, Lockwood. Glenavon South, \$3,700; Saskatchewan Life Insurance Company. Long Creek, \$3,200; W. D. Craig, Regina. Antelope Lake, \$7,800; Nay and James, Regina.

FOREIGN EXCHANGE DURING WAR

In connection with the article in *The Monetary Times* last week on "Exchange During the Third Year of the War," by Mr. E. M. Dawson, manager of the foreign exchange department, Union Bank of Canada, we omitted to state that the chart illustrative of exchange fluctuations in Canada and New York was compiled by Mr. W. J. Little, late of the foreign exchange department, Union Bank of Canada. This chart was the third in the series compiled by Mr. Little and which illustrates the course of exchange from July, 1914, to June 30th, 1917.

WAR ORDERS FOR CANADA

\$1,800,000,000

Some facts and figures as to our War Business.

SEE

The Monetary Times Annual
JANUARY, 1918.

PRICE 50c