

THE CARLETON OBSERVER

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Hartland, N. B., December 17, 1924.

NEW ISSUE BY C. P. R.
IS MADE AVAILABLE
IN CANADIAN MARKET

Company Decides to Invite Dominion Investors to take its Securities—Secured by Land Sales—Beatty Explains Desire to Extend Canadian Holdings of Railway's Securities.

Montreal—An official announcement was issued following a meeting of the Board of Directors of the Canadian Pacific Railway of the issuance by the company of \$30,000,000 4½ per cent. note certificates, secured by deferred payments on lands.

Following is the statement as sent out from the office of President E. W. Beatty: "The Company is not short of funds by any means, its bank account being of very comfortable proportions, but it has for many years been the company's policy to maintain a strong position in its cash resources, and, considering the magnitude of the enterprise, this is manifestly prudent. Works of improvement in contemplation to provide for its traffic and for the betterment of existing facilities will require a considerable sum in the near future and to meet these expenditures and to provide ample working capital for other purposes the directors of the company have decided to make an issue of note certificates in much the same way as was adopted in 1914, save that the issue will be of a public character instead of being restricted to participation by its own shareholders.

"In the belief that more extensive holding of the company's securities in Canada is desirable from all standpoints, the company has sold the issue to a strong Canadian financial group consisting of the Bank of Montreal, the National City Company, The Royal Bank of Canada, The Canadian Bank of Commerce, the Dominion Securities Corporation, Wood Gundy & Company, and A. E. Ames & Company.

"Already a very wide distribution is assured at a price to the public which will make it an attractive investment. It was quite open to the company to secure the requisite funds in the United States on terms equally favorable but in view of the interest in the Company's securities by Canadian investors, as evidenced by the increase in the holdings of its common stock and bonds, the directors were glad to be able to make the issue a Canadian one."

These 4½ per cent. Secured Notes are one of the highest grade and most thoroughly protected securities ever offered in the Canadian market. They are a direct credit obligation of the Canadian Pacific Railway Company, and in addition are specifically secured by Trust Agreement, under which the Railway covenants to pay to the Trustee land payments coming due to the Railway Company totaling approximately \$65,000,000.

This offering is the largest single piece of corporate financing ever undertaken in Canada. Prior to the present year, all Canadian Pacific Railway financing has been done abroad principally in Great Britain or in the United States, in which markets the company's securities rank as market leaders. For example, in 1922 the company's 4 p. c. debenture stock sold in London at 118½, to yield only 3.37 per cent at a time when direct Dominion of Canada long term bonds were selling at approximately the same basis.

Following upon the success of the Dominion Government in refunding its war loan, the Canadian Pacific Railway Company issued \$12,000,000 Collateral Trust Bonds in the spring of the present year. Although now to the average investor, these bonds quickly reached a price comparable to the price of Dominion of Canada Victory Loan Bonds. It is not surprising therefore that the company has arranged to offer this large issue in Canada. The offering is timely, inasmuch as the Dominion Government issued only \$50,000,000 of long term bonds to replace \$107,000,000 of maturing Victory Bonds, and it is evident that there is available large sums of money whose owners desire the highest grade of security. The present offering of Canadian Pacific Railway securities will meet these requirements.

It is expected that the issue will be quickly absorbed by all classes of investors.

Roller Skating afternoon and evening on December 25 and January 1. A large amount of correspondence was unavoidably crowded out this week. It will be published next week.

FLORENCEVILLE

Florenceville, N. B., Dec. 16.—The Parent-Teachers' Association of East Florenceville met on December 4, in the school assembly hall. The meeting opened with O. Canada. Dr. Barry Hagerman addressed the meeting on the subject of "Home Dental Care," showing in a very interesting lecture, just what parents and teachers should guard against in caring for the teeth of children, and warning against advertisements which did not state the facts. The subject of Vocational classes was discussed and it was decided that at present such classes could not be undertaken.

The wiring of the school building for electric lights was discussed and the committee appointed last night of meeting instructed to continue their efforts. (Note: The committee afterward arranged to have the building wired and work will proceed during the Xmas vacation.)

A committee was appointed by the president to frame a constitution for the Parent-Teachers' Association of East Florenceville, taking as their guide the constitution of a similar society in St. Stephen, N. B., as laid down in a letter received from them and read at this meeting. The committee consisted of Rev. Mr. Chowen, Mrs. Burnham, and Mrs. Saunders. The President ruled that the principal, Mr. H. T. Gilmore be considered ex officio, a member of this and other committees of a like nature. The music of the evening was rendered by Miss Hazel Hunter and Miss Laura McIsaac. The meeting closed with the singing of God Save The King.

The cold weather in the vicinity has been greatly commented upon. On Monday, Dec. 15, the thermometer stood at 14 below zero in East Florenceville with the north wind blowing the weather was severe.

Mr. and Mrs. Wm. Stone and Mr. and Mrs. H. T. Gilmore called on Mr. and Mrs. G. Richard Smith on December 15, and spent a very pleasant evening.

The whooping cough has taken many of the children out of school during the last week.

The Upper Brighton Union Sunday School will hold a Christmas entertainment in the U. B. Church on Tuesday evening, Dec. 23, at 8 p. m. All are welcome. A silver collection will be taken. 27-1c.

HARTLAND BAPTIST CHURCH
SUNDAY SERVICES

The usual services will be held in the Hartland United Baptist Church on Sunday. In the morning the pastor will preach on the subject, "Abiding in God"—a practical sermon for a practical age.

The Sunday school will meet at 2:30 p. m. with classes for all ages.

In the evening the pastor will again preach and will take for his subject, "Unworthy of Life." Special music furnished by the choir. A cordial invitation is extended to all who do not worship elsewhere.

TEACHER WANTED

First or Second Class male or female teacher of good ability and experience for part grade IV and grade V. Do not apply unless thoroughly capable and able to produce results as regards discipline and grade work.

J. STERLING KING,
Hartland, N. B. Secretary.
Dec. 17, 1924. 3 ins.

"Cascarets" 10c
if Constipated,
Dizzy, Bilious



Feel fine! Let "Cascarets" clean your bowels and stimulate your liver. No griping or overacting. Millions of men, women and children take this harmless laxative-cathartic. It doesn't sicken you like pills, oils, calomel and salts. Tastes nice—acts wonderful! 10c, 25c, and 50c boxes—any drug store.

New Issue

\$30,000,000

Canadian Pacific Railway Company

Twenty Year 4½% Sinking Fund Secured Note Certificates

Date of Issue December 15, 1924.

Date of Maturity December 15, 1944.

Principal and semi-annual interest (June 15 and December 15) payable direct to holders by cheque negotiable at par at any Branch in Canada of the Bank of Montreal. Fully registered Note Certificates will be issued in denominations of \$100, \$500, \$1,000, \$10,000 and \$100,000. Redeemable in whole or in part on any interest date on six weeks prior notice at 102 and interest up to and including December 15, 1929, and at a declining premium of ¼ of 1% during each five year period thereafter.

Legal investment for Canadian Insurance Companies.

TRUSTEE AND REGISTRAR: THE ROYAL TRUST COMPANY.

Transfers may be effected at the Registrar's offices or agencies in Montreal, Ottawa, Toronto, Winnipeg, Regina, Calgary and Vancouver.

Mr. E. W. Beatty, K.C., President of the Canadian Pacific Railway Company, has summarized his letter of December 8, 1924, as follows:—

These Note Certificates will be direct obligations of the Railway Company and have priority over \$93,335,254 Preference Stock and \$260,000,000 Common Stock, representing an equity at present market prices of approximately \$460,000,000. The Preference Stock has received 4% dividends without interruption since its issuance in 1895. The Common Stock has paid dividends continuously since 1882, with the exception of the year 1895, the rate since 1912 having been 10% per annum.

In addition they will be secured by the assignment to the Trustee, by way of security, of all unpaid purchase money or deferred payments owing or accruing due to the Railway Company in respect of lands in the Provinces of Manitoba, Saskatchewan, Alberta and British Columbia, sold or contracted to be sold by it prior to December 1, 1924. The amount due or accruing due to the Railway Company on December 1, 1924, in respect of said sales was \$66,000,000. The Railway Company will covenant to pay to the Trustee all monies, both principal and interest, less expenses and taxes paid to protect the security, received by the Railway Company in respect of the said contracts. The Railway Company covenants that it will not charge the lands in respect of which such deferred payments are or shall be due, so as to prejudice in any manner the security hereby created.

All monies received by the Trustee will be utilized for the payment of interest on these Note Certificates and thereafter as a Sinking Fund for the purchase and cancellation of these Note Certificates at the best prices obtainable up to the call price prevailing at the time of such purchase. If Note Certificates cannot be so purchased the Trustee shall redeem the Note Certificates by lot at the prevailing call price. The Railway Company will covenant that in the fourth and each succeeding year the annual amount available for the purchase of Note Certificates will be at least \$300,000.

The Note Certificates will be issued under, secured by and subject to a Trust Agreement between the Railway Company and The Royal Trust Company as Trustee.

The net earnings for the last five years, after paying all fixed charges, including interest on Consolidated Debenture Stock and all other obligations, have been as follows:—

Year ending December 31, 1919.....	\$31,320,868
" " " " 1920.....	32,844,083
" " " " 1921.....	33,169,867
" " " " 1922.....	33,545,140
" " " " 1923.....	34,899,409

Yearly interest on these Note Certificates amounts to \$1,350,000. The average yearly net earnings for the last five years as above set forth amount to \$33,155,873, or over 24 times annual interest requirements on these Note Certificates.

These Sinking Fund Secured Note Certificates are offered if, as and when issued and received by us, and subject to the approval of all legal details by Messrs. Meredith, Holden, Heward & Holden. Trustee Certificates in interim form or Note Certificates in definitive form will be available for delivery on or about December 30, 1924.

Price 92.25 and interest, to yield 5½%

Bank of Montreal

The Royal Bank of Canada

Wood, Gundy & Company

Harris, Forbes & Company

Matthews & Company

Osler & Hammond

The Bank of Nova Scotia

Banque d'Hochelaga

The Standard Bank of Canada

The Canadian Bank of Commerce

Dominion Securities Corporation

Hanson Bros.

Nesbitt, Thomson & Company

Greenshields & Company

Imperial Bank of Canada

The Molsons Bank

The Sterling Bank of Canada

The National City Company

A. E. Ames & Company

R. A. Daly & Company

René T. Leclerc, Inc.

The Dominion Bank

Bank of Toronto

Union Bank of Canada

La Banque Provinciale du Canada

The information contained in this advertisement is based upon official statements and statistics on which we have relied in the purchase of these Note Certificates. We do not guarantee but believe it to be correct.

Everybody Appreciates The
"Gift That Lasts"

RADIOS
PIANOS
GRAFONOLAS

PUNGS
HARNESS
FUR GOODS

J. CLARK & SON, Ltd.

H. N. DICKINSON, Manager

HARTLAND, N.B.