

EASTERN CAR BOND ISSUE OVERSUBSCRIBED.

Lake Erie and Northern Railway Bonds — Notes of Municipal Bond Issues.

The issue of \$1,000,000 first mortgage 6 per cent. bonds of the Eastern Car Company was rapidly and fully subscribed. That the prompt payment of both principal and interest was unconditionally guaranteed by endorsement on each bond by the Nova Scotia Steel and Coal Company, Limited, was undoubtedly an additional attraction. The Eastern Car Company, all the directors of which are also directors of the Nova Scotia Steel and Coal Company, has been formed to manufacture steel railway cars at or adjoining New Glasgow, N.S. The steady and important railway expansion proceeding from year to year throughout the Dominion, due to the large increase in population and trade, and to the opening up of new territory, has produced a demand for rolling stock which existing companies have been unable to fill. The Nova Scotia Steel and Coal Company, which owns all the common stock of the car company, has manufactured various parts of steel railway cars for many years.

The directors of the company are Hon. James D. McGregor, Thomas Cantley, Robert E. Chambers, Robert E. Harris, K.C., G. Forrest McKay, James C. McGregor.

These bonds constitute a first mortgage on the entire property of the company. The net earnings of the guaranteeing company for the past three years, after deduction of all interest, sinking fund and depreciation charges were \$1,510,977, being an annual average of \$503,659, or over eight times the annual interest on the bonds. In addition, the net earnings of the Eastern Car Company are estimated at \$250,000 per year. The surplus assets of the guaranteeing company and of the Eastern Car Company amount to \$9,851,067, or nearly ten times the amount of these bonds. The market value of preferred stock (which receives 8% dividend) and of common stock (which receives 6% dividend) of the guaranteeing company, both of which securities rank junior to the guaranteed bonds, exceeds \$7,000,000. The sinking fund provision is sufficient to retire the entire issue at 105 prior to maturity.

Application will be made to list the bonds on the Toronto and Montreal Exchanges. The issue, which was under the auspices of Messrs. A. E. Ames and Company, Toronto, was made at par.

Lake Erie and Northern Railway Bonds.

The provision of second mortgage bonds in connection with the proposed purchase by Brantford of \$125,000 worth of 5 per cent. debentures in the Lake Erie and Northern Railway is explained as follows by Mr. A. K. Bunnell, city treasurer, who says: "The first mortgage bonds to the extent of \$20,000 a mile, totalling \$1,100,000, are unquestionably the premier security, and could not have been underwritten on such satisfactory terms as at present, had the issue been in excess of said \$20,000 per mile. Under the circumstances of this road, and in view of previous experience, the company, had they followed prior methods, would have asked the city for a straight bonus without security.

"Now, for the first time in the railway history of the city, the people are offered security for their money. Of course, if the road proves to be a success, the second mortgage bonds held by the city will become valuable and 5 per cent. interest commences at once. If this is not paid the city can sue for it and compel a receivership. The security received by the municipalities is exactly the same as that given to the five gentlemen who have pledged themselves to take \$275,000 of second mortgage bonds."

Montreal and Burnaby.

Montreal's civic debt is now \$55,000,000, but another four or five millions will shortly be added as the result of contemplated public works. The civic revenue increased by one million dollars last year.

All negotiations with reference to the sale of Burnaby, B.C., bond issue, amounting to \$625,000, which was authorized by the ratepayers in January have been conducted in private. No sale has yet been made. Regarding Burnaby's finances, there is a balance of about \$300,000 in the bank, and the taxes of this year are due on the first week in July, which will amount to over \$250,000. The assessment last year amounted to \$20,900,000. Under the Act the municipality is allowed to borrow up to 20 per cent. of the assessment value, which amounts to \$4,180,000. The total bond issue to date against Burnaby is \$1,287,150, so that with the issue of the 1912 by-law bonds, \$650,000, the borrowing capacity would be \$2,892,850.

Windsor, Ont., has a population of 18,220. Its assessment, made in 1911, was as follows: Real property, \$12,872,700; in-

come, \$122,025; business, \$941,025—\$13,935,750. Its liabilities include the debenture debt, for all purposes, \$772,364.21; namely, for water works, \$142,616.74; schools, \$75,813.41; local improvements, \$167,568.25; other purposes, \$386,365.81. The bills payable are \$55,000. Among the assets are: Public school property, \$182,350; collegiate institute, \$66,250; city hall, \$48,000; fire halls and equipments, \$28,500; market, \$24,500; wharf, \$6,000; public works, stables and plant, \$8,600 parks, \$10,250; land for factory sites, \$18,000; electric light plant, \$30,000; water works, \$328,000; library, \$51,000; 1/8th interest in county buildings, \$14,000; hospital and site, \$3,800; sinking fund, cash and debentures, \$130,641.92; pavements, sewers, &c., \$1,002,295; miscellaneous real property, \$5,580—\$1,957,766.92. The rate of taxation in 1912 is 22 1/2 mills on the dollar.

Notes of Municipal Bond Bidding.

For the Craik, Sask., \$28,000 6 per cent. 20-year town hall and skating rink debentures four bids were received. As previously noted, the award was made to the Ontario Securities Company, of Toronto.

Four offers were received for the Pincher Creek, Alta., \$25,000 6 per cent. 30-year municipal and fire hall debentures, which were awarded to the National Finance Company, Toronto.

For the Newcombe Rural Municipality, Sask., \$12,500 6 per cent. road debentures five offers were received, two from Winnipeg, one from Saskatoon, one from Toronto and one from Regina. The offer of Messrs. Brent, Noxon and Company, Toronto, was accepted.

Three offers were received for the \$68,597 5 per cent. hospital and sewers, and 6 per cent. sidewalk debentures of Weyburn, Sask. As previously noted, the award was made to Messrs. C. H. Burgess and Company, Toronto.

FOREIGN EXCHANGE.

Glazebrook & Cronyn, Janes Building. (Telephone Main 7517), to-day report exchange rates as follows:—

	Between Banks.		Counters.
	Buyers.	Sellers.	
N. Y. funds	3-64 dis.	1-64 dis.	1/8 to 1/4
Montreal funds	10c. dis.	5c. dis.	1/8 to 1/4
Sterling—			
60 days'	9 1-32	9 1-16	9 7-16
do. demand	9 1/8	9 21-32	10
Cable trans	9 23-32	9 25-32	10 1/8
New York—			
	Actual.		Posted.
Sterling, 60 days' sight	484.80		486
Sterling, demand	487 45-50		488 1/2

CLEARING HOUSE RETURNS.

The following are the figures for the Canadian Clearing Houses for the weeks of June 15th, 1911; June 6th and June 13th, 1912, with percentage change:—

	June 21, '11.	June 13, '12.	June 20, '12	Ch'g %
Montreal	\$37,124,207	\$58,163,330	\$60,859,033	+ 63.9
Toronto	30,046,840	48,242,908	41,384,846	+ 37.7
Winnipeg ...	17,858,412	29,347,581	28,982,273	+ 62.2
Vancouver ..	9,124,467	12,800,239	12,810,249	+ 40.3
Ottawa	3,265,222	4,692,091	4,345,797	+ 33.0
Calgary	3,680,416	5,834,920	5,616,241	+ 52.5
Quebec	2,324,189	3,304,984	3,209,946	+ 38.0
Victoria	2,351,238	3,689,050	3,820,983	+ 62.4
Hamilton	2,137,029	2,974,278	2,998,963	+ 40.2
Halifax	1,244,609	1,885,943	1,869,066	+ 50.1
St. John	1,325,830	1,795,630	1,693,722	+ 27.7
Edmonton ...	2,306,639	4,561,787	3,851,865	+ 23.6
London	1,159,239	1,725,366	1,543,984	+ 33.1
Regina	1,216,948	2,003,544
Brandon	470,130	610,613	603,809	+ 28.3
Lethbridge ...	631,349	586,117	762,658	+ 20.7
Saskatoon ...	892,838	2,237,621	2,213,283	+ 147.8
Brantford ...	527,705	544,367	661,305	+ 25.2
Moose Jaw ...	714,004	1,258,078	1,302,071	+ 82.2
Total	\$118,401,311	\$186,258,447	\$186,258,447	
Ft. William	1,777,914	1,147,725	...

The building at once of a 3,000,000 bushel terminal elevator at the head of the lakes by the Dominion Government was announced at Regina by Hon. Robert Rogers, Minister of the Interior.

The Swift Canadian Company, a branch concern of the Swift Company, of Chicago, United States of America, proposes to erect a large soap factory at Toronto. Hitherto this company have sold the fats and greases in connection with their cattle trade here, but they now intend instead to manufacture these into soap in Toronto. All the other abattoirs in Canada sell their by-products.