

VICTORY LOAN SPECIAL COMMITTEE

Good Work on Stabilizing Market—Over \$70,000,000 in Victory Bonds Traded

Transactions involving over \$70,000,000 were put through by the Victory Loan Special Committee, which ceased operations recently.

It was pointed out in a statement issued by G. H. Wood, chairman, that instead of being at a discount, as some Government loans in other countries are, Canada's two Victory Loans at to-day's market prices have a value of about \$17,000,000 over and above the issue prices.

The committee completed its plan, the first of its kind, as far as known, ever attempted in connection with Government loans. Trading was commenced on the 22nd of January, 1918, and ceased on the 20th of January, 1919.

In the interval, the market situation for the 1917 loan has become so firmly established that open trading was permitted on December 21st, 1918. For the 1918 loan, the demand became so much greater than the supply that on January 20th, 1919, it was decided to authorize open trading in that loan, thus entirely releasing the committee from further responsibility.

Executive Committee

The executive of the committee consisted of Mr. G. H. Wood, chairman, Messrs. J. W. Mitchell, H. R. Tudhope and W. A. MacKenzie, of Toronto; Messrs. Edwin Hanson, Purvis Macdougall and R. A. Stephenson, of Montreal, and Sir Augustus Nanton, of Winnipeg.

The committee operated from three offices, of which R. A. Daly, who was general secretary, was also secretary at Toronto. R. H. Holden was secretary at Montreal and T. R. Billett was secretary at Winnipeg. Members were pleased to render their services without remuneration.

There were 240 dealers, including bond men and stock exchange members, who entered into the agreement with the committee, 104 of these trading through the Montreal office, 97 through the Toronto office and 39 through the Winnipeg office.

Sold \$70,000,000

During the period in which the committee was operating, which was just two days short of one year, the total amount of bonds which passed through the hands of the committee for both loans was \$70,336,000, which represented the amount of bonds taken in by the committee and for which they found a market:—

1917 Victory Loan	
1922 maturity	\$28,472,450
1927 maturity	5,034,900
1937 maturity	22,550,650
	\$56,058,000
1918 Victory Loan	
1923 maturity	\$ 1,806,000
1933 maturity	12,472,000
	\$14,278,000
	\$70,336,000

The committee handled 33,764 separate transactions, of which 22,613 were incoming and 11,151 were outgoing.

Accomplishments

At least three things have resulted from the committee's operations:—

1. The floating supply of both 1917 and 1918 Victory Loans have been widely and strongly distributed.
2. It prepared the way for the success of the 1918 campaign, and made possible the flotation of the loan at par, thus saving the country perhaps \$10,000,000 in the price alone.
3. It undoubtedly enhanced Canada's credit in the allied countries, this being especially the case in financial circles in the United States.

EDMONTON FINANCES

City to Issue One Million 6% Debentures Against Tax Arrears Outstanding in 1918—Civic Utilities Show Gratifying Results

In our issue of January 24th, a reference was made to the finances of Edmonton. In as much as the paragraph in question was rather ambiguous and likely to cause some misunderstanding, we publish herewith some particulars in connection with that city's proposed borrowings. In writing to us on the subject City Comptroller Mitchell says:—

The usual by-law by council authorizing the necessary overdraft at the bank has been passed providing for \$1,500,000 to meet current expenditures until such time as the taxes for the current year will be received. Furthermore, it is proposed to issue \$1,000,000 six per cent. debentures repayable within five years, against the tax arrears outstanding for 1918, the Public Utilities Commission having approved of this being done. The issue will be placed on the market for immediate disposal. As the city already is indebted to the bank and otherwise to a similar extent, the proposed issue merely postpones maturity of the liability until the arrears of taxes against which it will be issued have been recovered, and does not increase the current indebtedness of the city as it now stands.

The gross debt of the city, sinking fund investment and net debt, as at 31st December, are shown as follows:—

	Debt	Sinking Funds Investment	Net Debt
General Debentures including City's share of Local Improvements	\$11,622,125.85	\$1,726,621.32	\$9,895,504.53
Public Utilities—			
Waterworks, Telephone, Electric Light, Street Railway,	9,685,909.09	1,758,680.18	7,927,228.91
Property share Local Improvements	4,026,592.11	906,216.14	3,120,375.97
	\$25,334,627.05	\$4,391,517.64	\$20,943,109.41

The statement that \$6,000 was borrowed from the bank to cover part of the sinking fund payments is quite incorrect, especially as the city has fully paid over the sinking fund instalments up to and including 31st December.

The net result of operation of the civic utilities for the past year is very gratifying, there being approximately a net surplus, after providing for all charges, of \$15,000, made up as follows:—

	Net Surplus
Telephone Department	\$ 32,000
Electric Light Department	80,000
Waterworks	35,000
	\$147,000
Street Railway (deficit)	132,000
Estimated Net Surplus	\$15,000

MOOSE JAW FIRM EXTENDS FACILITIES

The Kern Agencies, Limited, of Moose Jaw, have completed an arrangement with Logan and Bryan for a private wire service to Moose Jaw. They will now have private wire connections with New York, Minneapolis, Chicago, Vancouver, Winnipeg, Toronto and Montreal. The company's offices have been remodelled and the business is now in charge of Mr. James Ogilvy. Mr. C. J. Sullivan, formerly of McDougall and Cowans, of Winnipeg, is in charge of the wire, quotations being available from New York and Montreal Stock Exchanges, and on grain and provisions from Winnipeg, Chicago, Minneapolis, etc.