

**CAPITAL INVESTMENTS IN
CANADA; SOME FACTS AND
FIGURES RESPECTING ONE OF THE
MOST ATTRACTIVE INVESTMENT
FIELDS IN THE WORLD**

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Capital investments in Canada; some facts and figures respecting one of the most attractive investment fields in the world by Fred. W. Field

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FRED. W. FIELD

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Capital Investments in Canada

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FIELDS IN THE WORLD.

By
Fred. W. Field

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Prefatory Note*

No better service can be performed for Canada than to make truthful statements from time to time regarding her industrial position and the industrial possibilities arising out of her natural resources. I am, therefore, sure that the publication in book form of Mr. Field's articles in *The Monetary Times* will be most useful. It is not often that an abundant supply of information on such a wide range of subjects connected with the development of Canada has been brought together in such a small compass. In saying this I do not necessarily endorse his opinions or statements of fact further than to express the conviction that the intention of the series of articles is to set forth fairly the opportunities afforded to the investor by this country.

B. E. WALKER.

Toronto.

*Sir Edmund Walker, C.V.O., LL.D., D.C.L.

Author's Note

In the following pages will be found the first authoritative and approximately correct data regarding the investment of British, American and foreign capital in Canada. While naturally open to some revision, the claim may be made safely that no pains have been spared to make it of commanding value and accuracy to bankers, financiers, investors, industrial and commercial interests. The subject has rapidly become one of considerable and general importance, the development of the Dominion depending so largely upon the introduction of capital from abroad. It is also one of the most attractive phases of the upbuilding of a nation, which is diverting streams of capital and labor from their old channels in five continents.

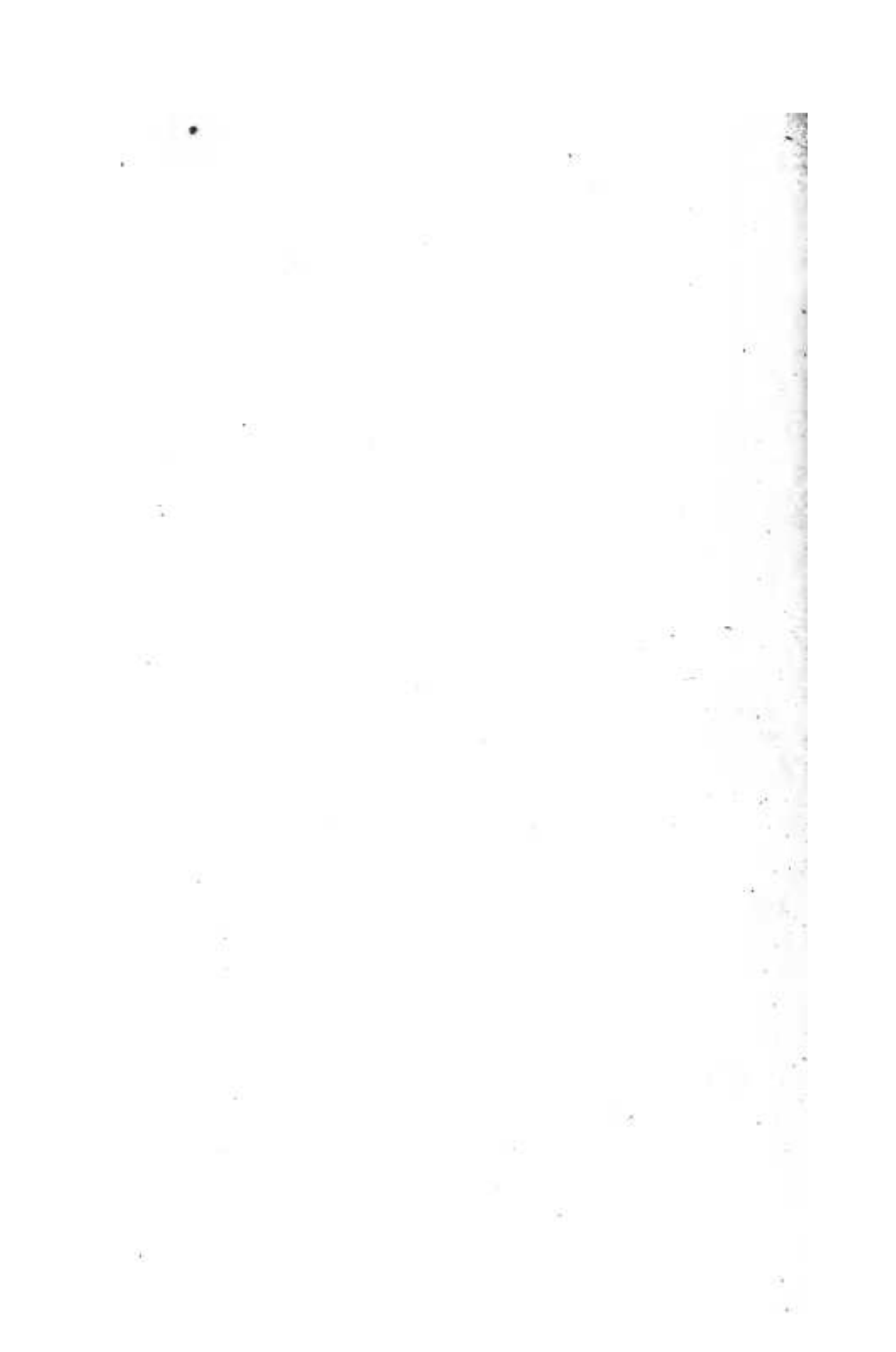
Many authorities have been quoted in this volume in order that the greatest possible information on the subject of investments in Canada may be contained between these covers.

FRED. W. FIELD.

Toronto, September, 1911.

Contents

	PAGE
→ British Investments in Canada	9
→ American Investments in Canada	22
→ Foreign Investments in Canada	35
→ French Investments in Canada	42
→ German Investments in Canada	50
→ Other Countries' Investments in Canada	58
→ Canadian Government Borrowings in London	63
→ Municipal Borrowings in London	74
→ The Financing of Canadian Railroads	82
→ Industrial Investments in Canada	91
→ Investments in Canadian Land and Lumber	99
→ Investments in Canadian Mines	105
→ Canadian Banks, British and Foreign Capital	114
→ Registered Stock or Bearer Securities?	121
→ Canada's Credit Abroad	127
→ Canadian Provincial Securities and the British Trustee List	133
→ New Capital From Immigration	138
→ The Relation of Trade to Borrowed Money	147
→ Canada's Share of British Capital	158
→ <u>Is Canada Over-borrowing?</u>	166
→ Canada and International Finance	173
→ Editorial Comments	181
→ List of Canadian Flotations in London, January, 1905 to April, 1911.	193
→ Index I.—Personal Names	209
→ Index II.—Companies and Institutions	212
→ Index III.—Subjects	220



CHAPTER I.

BRITISH INVESTMENTS IN CANADA.

In a little more than six years, January, 1905, to April, 1911, Great Britain has loaned Canada at least \$890,805,626. These figures are the best possible reply to the complaint sometimes heard that Great Britain is not taking sufficient financial interest in Canada. Its entire railroad system, for instance, has been financed practically from first to last by the British investor. The following table gives the approximate division of the past six years' investments:—

Canadian bank shares purchased by individual shareholders	\$ 1,125,000
Investments with loan and mortgage companies	8,725,000
Canadian bank shares purchased by a London house, (public flotation of £100,000 omitted)	550,000
British insurance companies' investments	9,854,000
Municipal bonds sold privately	12,000,000
Industrial investments	26,375,000
Mining investments	57,555,500
Land and lumber purchases	34,000,000
Purchases of town and city property	8,525,000
Canadian public flotations in London (January 1905 to April, 1911)	732,096,126
Total	\$890,805,626

Mr. George Paish, the eminent London financial statistician, states that British capital has been invested in Canada to the extent of £372,000,000. It is practically impossible to check this sum, but it is safe to accept the estimate of Mr. Paish, who not long since lectured

on the advantage to borrowing countries of importing capital. The young country, he says, requires to do all those things which in older countries have been gradually performed through the centuries, and it desires to do those things quickly. The rapidity with which things move in a young country is so astonishing to those accustomed to the slower progress of the older countries that it is difficult for the two kinds of countries to understand each other. Persons living in the older countries cannot and do not believe that the growth in the young countries is as rapid as it is said to be.

In view of the rapidity of its progress a young country needs all its savings for the construction of houses, for the breaking up of virgin land, the building of roads, the building of factories, etc., and has not the means of constructing the more expensive works required to develop its resources.

Hence the opportunity, continues Mr. Paish, given to the older countries to provide a portion—indeed, often the larger portion—of the capital needed for the construction of expensive works, such as railways, drainage systems, waterworks, gas and electrical installations, street railways, and similar undertakings, which offer special attractions to foreign capital is willing to invest at a lower rate of interest and dividend than can be earned by native capital employed in trade, industry and house construction.

The importation of this foreign capital, he concludes, sets free the growing savings of the young countries for the rapid extension of their industries. Further, the young countries attract large numbers of immigrants who possess no capital, and in order to render this additional labor productive the new countries need a much larger quantity of capital than they themselves possess. In brief, the importation of capital by