

Application for a General Increase in Freight Rates.

The Canadian Freight Association, on behalf of all the railway companies under the Board of Railway Commissioners' jurisdiction, filed the following application with the Board, on Feb. 17:—

The companies propose to file with the Board tariffs bringing into effect increases in freight charges as shown in the schedule hereto attached.

In order to obviate the enormous expense of printing tariffs and filing same, prior to their consideration by the Board, the companies desire to submit a memorandum thereof, showing the increases proposed to be made effective, for the Board's approval. Copies of this application and of the schedule attached have been forwarded to the secretaries of the principal boards of trade and to the Canadian Manufacturers' Association.

In support of the application the applicants state that it is in the interest of the country at large, as well as of the companies and their shareholders, that further revenues should be obtained from the carriage of freight traffic.

That the rate of return in net operating income upon the companies' property investment has seriously declined.

That the principal cause of this decline is the steady and constant increases in operating expenses, due to matters of continuing character, such as wage increases, legislative requirements and the necessity of maintaining a higher standard of track equipment and facilities generally.

That the return upon money invested in railway facilities in the territory in respect of which increases in rates are asked is unreasonably low and inadequate.

The effect of these factors is to seriously diminish the companies' borrowing powers and compel the obtaining of necessary capital at much higher rates of interest, thereby increasing fixed charges, which must be met out of the net earnings, which have been decreased, and will in all likelihood be further decreased, by the necessity of paying higher rates of interest on any monies borrowed.

That in consequence of the exceptional conditions at present existing, various money markets previously open to the companies are now closed, the result being to very materially limit the sources from which money may be obtained.

That among other grounds the companies will urge as a reason for the proposed increases the fact that after a full hearing the Interstate Commerce Commission made an order recently increasing the rates in the Official Classification territory to the South, notwithstanding the fact that in the applicants' opinion the conditions under which the companies were there operating were much more favorable than those which apply to the applicants.

The applicants propose to submit to the Board, on the hearing of the application, statistics to support the grounds upon which the application is based. These statistics are in course of preparation and will be filed with the Board before the date set for the hearing, if at all possible. At the same time copies will be forwarded to the secretaries of the boards of trade and other interests.

Schedule of Increases Proposed.

To meet in some measure the conditions outlined in the foregoing application the following changes in various freight tariffs, class and commodity, are proposed:—

1. CLASS RATES.—That goods carried under Canadian Freight Classification ratings, and class rates will be advanced 2c. per 100 lbs. 1st class, and 1c. per 100 lbs. 5th class; rates for other classes to be fig-

ured on the usual basis, subject to standard mileage class rates as a minimum.

2. COMMODITY RATES.—On freight traffic carried on commodity rates the following advances are proposed:—

Coal and coke, 10c. a ton. Sand, gravel and crushed stone (except stone for fluxing), 5c. a ton.

Billets, pig iron, wire rods, rails, crop ends, ferro silicon, iron ore concentrates, crude oxide of iron, mill cinder.

Where present rate is	Proposed advance.
\$1.49 a ton or lower	5c
\$1.50 a ton to \$2.49	10c
\$2.50 a ton to \$3.49	15c
\$3.50 a ton to \$4.49	20c
\$4.50 a ton to \$5.49	25c
\$5.50 a ton to \$6.49	30c

Pulpwood, cordwood, paving blocks, logs, stone, artificial stone.

Where present rate is	Proposed advance.
7½c or lower	¼c
Over 7½c but not exceeding 12½c	½c
" 12½c but not exceeding 17½c	¾c
" 17½c but not exceeding 22½c	1c
" 22½c but not exceeding 27½c	1½c

Alum, tan bark, stone dust, cooperage stock, gypsum rock, shafts, magnesite, final molasses, salt, drain tile, wire fencing, wrapping paper cores, china clay, beer packages, charcoal, nitre cake, hubs, spokes, mica scrap, pitch, salt cake, potatoes, wire netting, sulphur in packages, cement, petroleum coke, grinding pebbles, rims, lime, lumber and forest products, rags, slag, wrapping paper, woodpulp, articles of iron and steel manufacture, car lots.

Where present rate is	Proposed advance.
15c or lower	½c
Over 15c but not exceeding 25c	1c
" 25c but not exceeding 35c	1½c
" 35c but not exceeding 45c	2c

Wood alcohol, excelsior, petroleum, marble, tar, ale and beer, gas liquor, rice and rice flour, car loads, sludge, tin cans, glass bottles, granite, green hides, sulphur in bulk, metal shingles and siding.

Where present rate is	Proposed advance.
25c or lower	1c
Over 25c but not exceeding 35c	1½c
" 35c but not exceeding 45c	2c

Grain and grain products, flax seed, beans.

Where present rate is	Proposed advance.
7½c or lower	½c
Over 7½c but not exceeding 12½c	1c
" 12½c but not exceeding 17½c	1½c
" 17½c	2c

3. Rates on grain and grain products from Fort William, all rail and lake and rail; also from Bay ports to Montreal, will be advanced 1c. per 100 lbs. Rates from Fort William and Bay ports, and Ontario points to points in the Maritime Provinces, will be advanced 1c. per 100 lbs., plus the difference in the present and proposed arbitrates east of Montreal.

4. Sewer pipe as follows, viz:—Where present rate is 7½c. or lower, 1c. per 100 lbs. Where present rate is over 7½c., 1½c. per 100 lbs.

5. In connection with iron and steel articles, it is proposed to advance the l.c.l. rates to the proposed 4th class rates.

6. Rates on binder twine from Welland, Ont., will be advanced from 1c. to 4c. per 100 lbs., to correspond with similar advances made from twine factory points in the United States.

7. Proposed advance in rates on canned goods. To Montreal and Ottawa 1½c. to 2½c. per 100 lbs., points in the Maritime Provinces being figured by adding established arbitrates to the Montreal rate.

8. Cheese.—Rates on this commodity to Montreal will be advanced 2c. per 100 lbs., but not higher than the 4th class rates, which basis already applies from a very large territory.

9. Proposed to advance the present rates on livestock from 1c. to 2c. per 100 lbs.; also corresponding advance is proposed in the rates on livestock to Buffalo, N.Y., and United States generally.

10. Proposed to advance rates on dry earth paints from Argalls, Champlain and Red Mill, Que., to the 10th class rates.

11. Proposed to advance rates on paper, starch and glucose, to correspond with the advance made in the 5th class rates.

12. It is proposed to place acids on the 7th class basis.

13. Some commodities such as confectionery, corn oil, cotton piece goods, stoneware, gin, lard compound, leather and soap will be advanced to Classification basis.

14. On certain commodities such as fertilizers, ore, stone for fluxing, sugar beets, beet pulp, etc., no advance has been proposed.

The above takes care of a great majority of the changes proposed. There are a few others of less importance which have been submitted to the Board in detail.

The Board has given notice that the application will be heard in Ottawa on March 1.

Canadian Northern Railway Earnings, Etc.

Gross earnings, working expenses, net earnings, increases, or decreases, compared with those for 1913-14, from July 1, 1914:

	Gross Earnings	Expenses	Net Earnings	Increase or Decrease
July	\$1,594,300	\$1,163,800	\$430,500	x \$83,800
Aug.	1,367,700	1,123,000	244,700	x 163,900
Sept.	2,109,100	1,519,000	590,700	65,800
Oct.	1,895,300	1,332,100	563,200	x440,900
Nov.	1,670,200	1,123,100	547,100	x417,700
Dec.	1,329,100	908,000	423,100	200,900
	\$9,966,500	\$7,167,200	\$2,799,300	x\$1,241,400
Decr.	\$3,398,400	\$2,157,000	\$1,241,400

x Decrease.

Approximate earnings for January, 1915, against \$1,570,900 for Jan., 1914; and for two weeks ended Feb. 14, \$499,200, against \$615,800 for same period 1913.

Canadian Pacific Railway Earnings, Etc.

Gross earnings, working expenses, net earnings, increases, or decreases, compared with those of 1913-14, from July 1, 1914:

	Gross Earnings	Expenses	Net Earnings	Decrease
July	\$10,481,971.72	\$6,733,525.89	\$3,748,445.83	\$388,347.85
Aug.	8,917,764.38	6,554,616.60	2,363,147.78	597,981.54
Sept.	10,754,139.67	6,387,091.28	4,367,048.39	45,580.30
Oct.	9,282,923.49	5,961,600.13	3,321,323.36	2,281,529.48
Nov.	8,057,358.89	5,413,867.2	2,643,491.69	2,244,173.89
Dec.	7,443,962.43	5,244,488.62	2,199,473.81	2,272,297.90

\$55,938,125.58 \$36,264,549.32 \$19,673,576.26 \$7,537,860.41
Dec. \$19,348,036.45 \$11,810,176.04 \$7,537,860.41

Approximate earnings for Jan., \$5,908,000, against \$7,719,000 for Jan., 1914; and for two weeks ended Feb. 14, \$3,074,000, against \$3,485,000 for same period 1913.

Grand Trunk Railway Earnings, Etc.

The following figures show the earnings of the G.T.R., G.T.W.R., and D.G.H. & M.R. for January, compared with Jan., 1914:—

	1915	1914	Incr.	Decr.
G.T.R.	\$2,661,080	\$3,023,783	\$362,703
G.T.W.R.	559,638	555,434	\$4,204
D.G.H. & M.R.	192,131	190,295	1,836

Totals \$3,413,149 \$3,769,512 \$356,363

Approximate earnings for two weeks ended Feb. 14, \$1,603,413, against \$1,741,770 for same period, 1914.

Grand Trunk Pacific Railway Earnings.

The approximate earnings of the Prairie Section and Lake Superior Branch, 1,104 miles, for January were \$247,011, against \$368,318 for Jan., 1914.