THE MONETARY TIMES

CANADIAN NORTHERN REPORT.

The fourth annual report of the Canadian Northern Railway was presented to the Annual Meeting held in To-ronto on Tuesday. It is a concise document, with tabula-tions which effectively illustrate the development of the system. Here is the result of the work of one year ending une 30th, last

Oross Earnings.

Passenger traffic \$1,002,039.20 Freight traffic 4.335.933.10 Express, mail, telegraph, hiping and sleeping cars, profits from gelevators

subsidiary companies	(] *)	-505,183.31	
Working Expenses,		\$5.903.755.61 \$3,974,732.85	
Net carmings		\$2,229,022.70 1,509,448.33	

The working expenses avere 66.49% of the gross earnings of the railway proper, and 62.24% of the gross earnings from all sources compand with 07.05% and 03.12% respectively in the preceding sear. The increase in passenger trainc was \$308,703.35 or 20%

Heavy Freight Increases,

The increase in gross carning from freight traffic was \$1;274,402.33 or 42.62%; the bonnage moved being 1.727,002 tons compared with 1.308,800 tons for the previous year. Of the increase in tonnage carried, grain and flour contrib-uted 159,590 tons, logs and lumber, 45,031 tons, and general merchandises poose tons

afted 159,590 tons, logs and lumber, 45,031 tons, and general merchandises 99,050 tons. During the year the main line to Edmonton was open-ed, as well as the branch to Prince Albert, but the report does not give the exact mileage. It was probably greatery than has ever before been opened in a purely farming coun-try by any Canadian company in one year. The report is, to one who knows the country traversed by the line, a restrained statement of its position and pros-pects. It frankly anticipatest the possibility of poor years, and states that the most notice or the year of the year.

and states that the most noteworthy development of the year was that of the coal, iron and other mineral business along the line; which, when the plant at Port Arthur to manufac-ture the iron, ore from, the Alikokan range is in operation, will make large, continual traffic for the road, and with such resources as the coal of Northern Alberta, will enable the company "to face years of poor crops whenever they come, with equanimity." will enable

Basis of Fixed Charges.

The financial potentialities of the Canadian Northern are, perhaps, best discernible from the statistics of passen-ger and freight earnings and fixed charges per mile of road. With ger and twight cartings and acceleration that will be the such a large increase of line through territory that was awaiting the cultivator, the increase of gross carnings per mile was 'from \$2.647.37 to \$2.860.34, or 8.29%. The operating expenses increased only by 6.76%, and the net

Although a goodly portion of the earnings of the road was for the carriage of fumber and materials necessary in the establishing of new nowns the freighting of grain east-wards will enlarge rapidly and the operating expenses rela-tively will diminish as the roughed is improved, and the or-

tively will diminish as the roached is improved, and the or-ganization works more smoothly and economically as the business increases and more branch lines are completed. Financially, the special strength of the Canadian Nor-thern has perhaps lain in the guarantee of its bonds by the Governments of Manitoba and the Dominion. The report gives the amount of fixed charges covered by the Manitoba guarantee as \$591.52, and by the Dominion, as \$167.836. The charges for the year on acrpetual consolidated deben-ture stock were \$315.359. The sease of the Pacific and Man-itoba Railway called for \$200.000, and of the Minnesota and Manitoba Railroad for \$200.000, and of the Minnesota and Manitoba Railroad for \$200.000, and of the Minnesota and Manitoba Railroad for \$200.000, and interest on equipment leases, \$211.234. The net cartering per mile of road were \$1.079.95, and the amount restired per miles to pay the fixed charges, including the leased lines, was \$780.5. The New Transcontinental.

The New Transcontinental.

There has never, from the beginning, been any need to draw upon the Governments for any portion of their guar-antees, which has helped materially for the Canadian Nor-thern the distinction of having been constructed with cheap-er money than any other new me in America, and which has prepared the way for a complete transcontinental system

has prepared the way for a change, Bay Railway into the in the near future, The conversion of the James, Bay Railway into the Canadian Northern Ontario Railway is too recent to come within the purview of this report, but the Canadian Northern development east of the great lakes receives paragraph.

Your Directors, realizing the importance of

entrances into the cities of Ottawa, Montreal and Quebec, entrances into the cities of Ottawa, Montreal and Quebec, have with your sanction acquired control of the Great Northern Railway of Canada, the Chatcauguay and Nor-thern Railway, and the Quebec, New Brunswick and Nova Scotia Railway, by whose lines the necessary entrances have Scotta Ranway, by whose tines the necessary entrances have been secured. These three companies have since been amal-gamated under the name of the Canadian Northern Que-bee Railway Company, and arangements are now being made for the permanent working of the amalgamated Rail-way as part of the Canadian Northern system.

BRITISH COLUMBIA ZINC.

Dominion Commission Shows How the Industry May be Profitable.

In 378 pages the Commission appointed to investigate In 378 pages the Commission appointed to investigate zinc resources of British Columbia, has published a first rate report, which shows how the zinc ores of that Province may be commercially exploited. It is a most valuable con-tribution to metallurgical literature, and the Silver Lead Association and the Associated Boards of Trade of British Columbia are to be congratulated on the outcome of their request to the Federal Government to enquire into the

question. Mr. W. R. Ingalls, editor of "The Engineering and Mining Journal." New York, was the head of the Commis-sion, Mr. P. Argall, M. E., of Denver, Colo., and Mr. A. Garde, of Nelson, B. C., as his assistants, the former taking charge of the enquiry into the developed mines of the Pro-vince. Dr. Barlow and Mr. Keele of the Geological Survey investigated the undeveloped zinc or deposits. The metal-lurgical investigation of the samples of ore collected was conducted by Mr. E. Wood, of Denver. Right Methods Are Necessary.

The Commission states that zinc in large commercial quantities can be produced in British Columbia. The ton-nage immediately available in the Ainsworth and Slocan districts is estimated at 30,000 tons of nominal zinc content of 50 per cent., equal to 12,000 tons of spelter, or four times the present consumption of the Dominion. consumption, moreover, is only about one-half in the form of spelter, the remainder consisting of sheet and rolled plate. For a long time much of the zinc ore or spelter will be exported. It cannot enter the United States, against a

be exported. It cannot enter the United States, against a tariff of 1.3 cents per pound. Plans for zine smelting in Australia provide for more than the Australian market. Most of the spelter must be marketed in Europe. With correct methods of milling and treatment for the different classes of ores and observance of suggestions made by the Commission a stable zine industry, capable for a long time of meeting the growing demands of the Dominion will be established. Mining costs about \$2.50 per ton in two of the largest mines, including general and engineering ex-penses. Imperfect knowledge was the cause of some mills being closed down. If proper methods of milling for each class of ore are closely followed these non-producers can pay.

Excellent Fuel Situation,

Experiments with the ores demonstrated that they can be highly concentrated by magnetic treatment, in every case to produce a zinc concentrate assaying 40 per cent. zinc, and

in some cases up to 57 per cent. Up to 1905 the production of zinc ore in British Columbia was 11.000 tons, which was chiefly exported to the United States, a small quantity being sent to Europe. Since the establishment of smelting works at Frank. Alberta, Can-ada has entered the market for these ores. The most pro-fitable market for ores is governed by the prevailing price of spelter at London and New York. No duty is imposed on these ores imported into Europe. Wth regard to fuel. British Columbia and Alberta are better situated for smelting than are the zinc smelters of

Wth regard to fuel, British Columbia and Alberta are better situated for smelting athan are the zine smelters of the United States, for the reason that coal can be procured better situated for situating attain are the United States, for the reason that coal can be procured in either of these Provinces named for between \$1 of \$2 a ton, a much lower price than across the border. One ton of ore requires two tons of coal for smelting. But labor, in the United States is cheaper than in Canada, and the former country also possesses skilled workers, who are scarce in Canada

The first World's Shoe and Leather Fair opens at Bos-Particulars may be obtained from O. McCormick, 147 Summer Streets, Boston.

The Canadian Pacific Railway still holds the lead on The Canadian Pacific Railway still holds the fead on the American continent so far as increased earnings are con-corned. The gains made by five of the chief roads during September were: Canadian Pacific, \$1,285,000; Illinois Central, \$603,220; Great Northern (two roads), \$566,054; New York Central, \$323,040; Missouri Pacific (two roads), \$500,000 \$303,000

October 27, 1906.

MONTREAL TAX RECO

Board of Trade Wants Real H Real Estate Association Wo City's Share of Street Ra

' (From Our Own Corn

Outside of the activity resulti unsettled monetary outlook and trouble, the Montreal Stock Exchan rouge, the atomical stock backan of remark during the past we Railway stock was again the feat surances that the announcement of 75% premium was justifiable e stork. Up to Tuesday night t the stork. Up to Tuesday night a was 254 this being followed by a On the whole, the stock declined announcement. There is talk that the premium to 50% at the annu this is hardly thought likely in ma Nova Scotia Steel was also weak, market showed no permanent lea the stork.

Board of Trade and City Council.

The Council of the Montreal E its recommendation to the best means of obtaining the civic r recommends an increase of one-qui the tax on real estate, to be devot ovements of roads and sidewa per cent., and the proprietors on twenty-five per. cent. of the cost, t years. It was advised that an arra with the Street Railway, whereby water whe streets controlled by the quired for road improvements, and same streets; and that on entering with companies using the streets a profits be paid for the privileges gr

Exemptions are \$50,000,000.

A general revision of assessm which now Taxa exemptions should be restricted to land and pied by churches, presbyteries, sch institutions and to free public lit All vacant lots should be assessed ally it was recommended that a be appointed to award and enforce all The Real Estate Association h

apointment of a commission, but port for an increased real estate insufficient from imposts on bond trecommended that revenue an the basis of taxation. The Associ the revenue of the city was ample to do was to curtail expenses.

Street Railway Contributes.

The feeling that corporations. contribute adequately from their pring in Montreal. The renewal ing in Montreal. certainly create a demand that the the company's profits. The renew franchise has already been to the temporarily in the background, it light again shortly. The Counc what it proposes to do for the c use of the streets. The city will re of the earnings of \$2,645,000 for t

Question of Outside Earnings.

The earnings of the company re \$362,000, but the Privy Count the carinings of the Company were \$362,000, but the Privy Count the city could not collect a perce-city annexes outside municipalitie from the company. This is a bringing about the present tender. Montreal." which some enthusiast the city embrace over municipalities. the city embraces every municipa year, for the first time, the comp part of its earnings to the city. Getting After the G. T. R.

Much inferest is being tal tion against the city and the to annul a resolution of th mittee, giving the Grand Trunk ation of \$100,000 on its general of The City Attorney concentral a the The City Attorney presented a de city was within its rights in exempt them to the class of property, the fixed permanently or exempted.