

## TORONTO AND ELECTRIC COMPANY DEAL

## Report of Manager Couzens is Favorable to the Proposed Purchase

Manager H. H. Couzens of the Toronto hydro-electric commission, has submitted his report on the proposed purchase of the Toronto Electric Light Company's property, etc., by the city of Toronto, in connection with the suggested acquisition of the Railway Company. The report favors the purchase by the civic authorities.

Mr. Couzens says that only some of the economies resulting from amalgamation can be estimated. Leaving out "other very definite and tangible perpetual savings" that he cannot put in figures, he estimates the assessable economies at \$200,000 a year, cumulative and perpetual. These savings would take care of a debt of \$3,250,000 and pay it off in 30 years, and hence Mr. Couzens deduces that the price asked by the company for its franchise is entirely reasonable. By the Ross report the company's physical assets were valued at \$6,132,754, leaving the difference of \$1,867,246 as franchise value.

"In the event of it being decided to effect the consolidation," Mr. Couzens suggests that "the whole business of the Toronto Electric Light Company, including that outside the city limits, be secured at the same time."

## Safeguarding Power Supply.

Safeguarding an uninterrupted supply of power is deemed of paramount importance. The company's steam reserve plant has a capacity of 11,500 kilowatts, while the construction of a 10,000-kilowatt steam reserve is being considered by the hydro system. Neither of these, independently, could carry either system's maximum load in the event of a breakdown on the Niagara lines, but the two together could assume the whole load of either system. Thus, under an amalgamation, if one Niagara line broke down there need be no interruption, the combined system being served by the steam reserve and the other Niagara line. Mr. Couzens also thinks it would be feasible to provide for coupling together the two generating systems at the falls, so that power from both generators could, in an emergency, be sent to Toronto over one transmission line.

He figures on securing the first fruits of consolidation with the hydro in from 12 to 18 months. And after consolidation is effected, he says, "all savings are perpetual and progressive, whereas any costs that may be placed on the consolidated undertaking to cover interest and sinking fund on the difference between the purchase price and the value to the consolidated system, continue only for a limited period of time."

## Covered by Future Savings.

Mr. Couzens also says:—"At the end of 30 years the city will not only have paid for the assets of the company, but, due to the depreciation allowance, will be in possession of a new plant and an accumulating fund calculated on a basis of purchasing a similar plant of equal capacity at the end of the useful life of the new plant." Elsewhere, his comment is, "The increased capital expenditure required from time to time in order gradually to bring the two separate schemes, as they extend for some years to come, into one definite undertaking, should be amply covered by the future savings arising directly from consolidation, after providing for all other charges."

No account has been taken by Mr. Couzens of what he terms "aesthetic problems and sentimental considerations," but he points out that the control of the entire situation, "whereby the best engineering scheme can be adopted without regard to the question of expediency, which is inseparably associated with present conditions," would be an invaluable factor for betterment.

## COBALT ORE SHIPMENTS

The following are the shipments of ore, in pounds, from Cobalt Station, for the week ended November 21st, 1913:—McKinley-Darragh-Savage Mine, 63,410; Dominion Reduction Company, 64,500; Cobalt Comet Mine, 75,138; Right-of-Way Mine, 80,520; Peterson Lake S. C. Mine, (Seneca Superior Ore), 70,334; Cobalt Lake Mining Company, 103,570; Cobalt Townsite Mine, 326,700; Penn-Canadian Mine, 137,560; La Rose Mines, 247,200; total, 1,177,932. The total shipments since January 1st are now 36,226,436 pounds, or 18,113 tons.

In 1904 the camp produced 158 tons, valued at \$316,217; in 1905, 2,144, valued at \$1,437,106; in 1906, 5,835 tons; in 1907, 4,850 tons; in 1908, 20,360 tons; in 1909, 20,941 tons; in 1910, 34,041 tons; in 1911, 25,089 tons; in 1912, 21,509 tons.

## CO-OPERATIVE ELEVATORS PROFITS

## Saskatchewan Company Has Chain of Nearly Two Hundred Elevators

Profits amounting to \$167,927 are shown in the annual statement of the Saskatchewan Co-operative Elevator Company, Limited.

The profit and loss account shows that the revenue for the year totals \$600,923.61, while the expenses total \$423,996.75. The largest item on the debit side of the account is \$175,942.76, representing station expenses and supervision. Head office salaries account for \$47,186.04, interest on loans \$31,786.67, while \$31,349.88 is allowed for depreciation on elevators, office furniture and fixtures. Commissions received during the year total \$103,041.99, grain accounts have brought in a revenue of \$334,106.44, storing and handling charges \$163,685.18.

## Assets Nearly Million and Three-Quarters.

The assets of the company, as indicated in the statement total \$1,709,487.57; the elevators alone representing \$1,289,928.87 of this total. Of the share capital of \$2,000,000 authorized, \$1,514,350 has been subscribed, and of this \$227,152.50 has been paid. The loan from the Saskatchewan government, inclusive of interest, totals \$1,205,843.44.

It was also decided at the annual meeting to declare a dividend on the paid-up capital of 8 per cent., and in addition to this a portion of profits to the extent of \$3 a share, to be applied to the increase of paid-up capital of each shareholder.

Mr. J. A. Maharg is president of the company and his efforts, together with Mr. C. A. Dunning's efficient management have had much to do in achieving these results.

"The problem of financing a rapidly-growing concern with such a small paid-up capital has always been the greatest problem confronting the directors," states their report, and adds:—"A review of the financial history of the company will give our shareholders an idea of the great importance of keeping our financial position and requirements always in mind.

## Borrowed from Banks.

"Practically all the money used for purchasing and handling grain must be borrowed from banks, and it must be borne in mind that our requirements have increased from half a million dollars in 1911 to two millions in 1912, and in 1913 will probably reach 2½ million dollars. The problem of financing can be readily understood when the foregoing figures are compared with the amount of paid-up capital shown in the balance sheet, which does not exceed two hundred and fifty thousand dollars. Of course each year of financial success experienced by the company adds to its financial standing and places it in a stronger position to control the grain trade of the province in the interest of the farmers."

During the year which closed on July 31st, 12,899,030 bushels of grain were handled by the elevators, 4,384,635 bushels of which were purchased by the company and 8,514,395 bushels special binned for farmers, the number of elevators operated being 137. The commission department of the company at Winnipeg handled 8,515,037 bushels of grain on commission, and also sold for the elevator department 4,246,649 bushels of the company's purchased grain.

"The construction department this year erected 50 new elevators, and has also undertaken the remodelling of several of the purchased elevators.

The support accorded the system is indicated by the following receipts:—3¼ million bushels with 46 elevators in 1911, 13 millions with 137 elevators in 1912, and up to date in 1913, with 192 elevators operating, over 13¼ million bushels, which indicates that a higher average per elevator will be recorded this year than ever before.

## INTERESTING VOLUME ON STATISTICS

Giffen's Statistics is a comprehensive volume by a well-known world authority, and deals with the meaning and objects of statistical records. The chapters include, Population, Government, Manufacturing, Railway, Financial, and other returns. The construction of tables is also dealt with.

Indeed, the book is, as its author states, "An account of the principal facts established in each branch of statistics and of the principal controversies and questions which the different branches of statistics have been used to discuss."

Statistics, 1898-1900.—By the late Sir Robert Giffen. \$3.50. Macmillan Company of Canada, Limited, Toronto.