

"The whole of the stock & securities of the 4 above-mentioned companies will be acquired by the Co. & vested in the trustees for this issue or their nominees.

"The Kaslo & Slocan Ry. (about 30 miles) serves the rapidly extending & important mining industry of the chief ore-producing area of the Slocan district, & was constructed at large cost so to do.

"It is now proposed to carry the traffic by the steamers to the southern end of Kootenay Lake, & thence to construct a railway 53½ miles in length along the valley of Kootenay River, connecting with the Great Northern & Northern Pacific Ry.'s at Bonner's Ferry & Sand Point, respectively.

"For 30 miles south of Kootenay Lake the new line will traverse a mineral country yielding gold, copper, silver & lead. The amount of work hitherto done on the claims in this belt has not been very considerable, owing to the difficulty of access; but as soon as the new line is opened work will, no doubt, be actively prosecuted, & the traffic on this part of the Co.'s system should be very remunerative.

"The fact that each half-year of the business of the Kaslo & Slocan Ry. shows an increase over the preceding half-year indicates the rapidity with which business, & consequently the profits earned, is increasing, & the examination of the books of the Co. for the first half-year of 1897 shows net profits \$34,000, & for the second half-year, \$59,000, a total of \$93,000.

"The accounts of the International Navigation & Trading Co. show more than a corresponding increase.

"Taking the two together, there appears for the second half-year a net profit of \$78,000, or at the rate of \$156,000 per annum, equal to £32,000. As the Co. will control & work an additional 53½ miles, it is estimated that the net receipts should be increased by at least £25,000, a total of £57,000.

"The foregoing figures are taken from returns sent from British Columbia, which have been submitted to C. F. Kemp, Ford & Co., whose certificate is as follows: We have carefully perused the revenue & expenses account of the Kaslo & Slocan Ry. Co. for 1897, as prepared & sent over from B.C. by W. R. Allen, Accountant, of Kaslo, who was employed for that purpose. The account shows that the net profits for the first half of 1897 amount to \$34,275.49. For the second half of 1897 amount to \$59,050.01. We have also carefully perused the balance-sheet & revenue account of the International Navigation & Trading Co., which were also prepared & sent over from B.C. by W. R. Allen, Accountant of the Co., & signed by G. Alexander, President of the Co. They show that the net profits for the 6 months ending June 1, 1897, amount to \$7,361.08. For the 6 months ending November 30, 1897, amount to \$18,952.40. In the case of both companies the profits have been arrived at after making charges for maintenance & repairs.

"The amount required to pay interest on the whole of the debenture stock is only £24,000, & will, on the basis of the above traffic, be more than secured by existing revenue; any increase in profits resulting from the operating of the system as a whole therefore goes to increase the balance available for dividend on shares.

The Co., in addition to the railroad & steamers owned or controlled by it, will, as the owner of the undertaking of the Kaslo & Slocan Ry., acquire a valuable land grant of 220,000 acres in the Kootenay District, granted in connection with the construction of its line.

"Arrangements to the satisfaction of the directors have been made with the Great Northern Ry. for the working of the traffic.

D. J. Munn, of New Westminster, B. C., President of the Kaslo & Slocan, confirms the report of the sale of his line, & states that he will retain his official connection with it until

the annual meeting on Oct. 12, when a new board will be elected. Mr. Munn further said in an interview: "The gentlemen who have taken over our interests are very strong financially, & will, I understand, embark in other enterprises of great importance to this section generally. Although the K. & S. is but a bantling, so to speak, it has passed through an experience worthy of a much greater undertaking. Some future time, perhaps, a review of all the circumstances attending its inception & management down to the present will make interesting reading. The general panic of 1893 would scarcely have been felt by this section if it had not been for the unprecedented slump in the price of silver. Although at that time the capital had been secured with which to complete the road, yet with the outlook it would have been unfair to the investors to place their money in what looked like a most dangerous investment. Hence the building was postponed until 1895. I am perfectly satisfied with our investment. It is a certain satisfaction to have brought the road to a successful point throughout all the trials & difficulties which beset it from every quarter, even to an assault on our works by the 'National Highway.'"

Freight Matters.

CANADIAN FREIGHT ASSOCIATION.—A meeting of the Tariff Committee was held at Toronto Sep. 7, when a number of rates and arrangements were agreed to; the meeting adjourning till Sep. 28, 29 & 30, then to consider special arrangements, &c., for next winter's business.

C. P. R. FREIGHT DIFFERENTIALS.—In our Aug. issue, pg. 157, we gave particulars of the calling of a meeting at Denver, Col., for Aug. 22, to discuss the question of the C.P.R. being allowed a 10% differential on transcontinental freight. The meeting decided to arbitrate the question; the C.P.R. to appoint one arbitrator, the U. S. lines to appoint another, & these two to select a third. The C.P.R. has appointed J. W. Midgeley, ex-Chairman of the Western Freight Association, & the U.S. lines have appointed W. R. Day, Special Counsel to the Interstate Commerce Commission. No announcement as to when the arbitration will take place, has yet been made, but Messrs. Midgeley & Day have selected E. S. Washburn, President & General Manager of the Kansas City, Fort Scott, & Memphis Ry., of Kansas City, as the third arbitrator.

INTERCOLONIAL.—It is said an arrangement has been made whereby the I.C.R., instead of handing over its freight for points west of St. John to the C.P.R., will in future hand it over to the G.T.R. or C.P.R. at Montreal for its western destination. The former agreement with the C.P.R. expired Aug. 30, & notice was given by the Government that it would not be renewed. Under the new arrangement the I.C.R. will have the long haul instead of the short one. It is also said the I.C.R. & C.P.R. have come to an arrangement on the question of freight for the east, & that they will exchange business at St. Rosalie Jct., the C.P.R. delivering to the I.C.R. there all goods for points north of Moncton. Freight for points south of Moncton will be delivered to the I.C.R. at St. John, N.B., as heretofore.

THE INTERSTATE LAW.—Col. Walker, Chairman of the Atchison, Topeka & Santa Fe Ry., & formerly a member of the Interstate Commerce Commission, has been in Quebec asking the U.S. commissioners at the International Conference to get Canadian railways brought under the operations of the Interstate Commerce law & to have it provided that in the event of a breach of its provisions the offending Canadian railway shall be excluded from participation in the carrying of U.S. goods from one point of the U.S. to another. Col. Walker has been strongly opposed at Quebec by A.

Clark, Secretary of the Home Market Club of the U.S., & C. S. Hamlin, formerly Assistant Secretary of the U.S. Treasury, who have forcibly urged that the present regulations relating to the transit of goods in bond across Canada between different portions of the U.S. should be continued. The present arrangement is regulated by Canadian & U.S. law, & the deputation maintains there is no dissatisfaction with it or opposition to it, except on the part of some of the U.S. States. They furnished important statistical information to the commissioners showing the amount of traffic to & from different points of the U.S. over Canadian roads. This information indicates that nearly every State in the Union, even as far south as Louisiana & Alabama, benefits in this traffic. Goods go up the Mississippi to St. Louis & over the Illinois Central to Chicago, or by the Wabash to Detroit, where these roads connect with Canadian railway systems, & thence reach New England points. Although a somewhat roundabout route, it is a natural one, & is a great advantage to the producers & consumers in the U.S., east & west. The deputation pointed out that the Canadian railways have admitted they are working under the Interstate Commerce law, & even if they were not, the connecting lines are certainly "subject to it. Hence there is no necessity for a treaty, & no treaty would be asked for except with a view to securing some unfair advantage to one or two trunk lines to exclude the Canadian trunk lines from doing U.S. business.

Aliens on the Canada Atlantic.

Just before our August issue went to press, a press dispatch on this subject was sent out from Ottawa, & as there was no time to verify it, we gave it for what it was worth as follows. "The locomotive engineers of the Canada Atlantic & Ottawa, Arnprior & Parry Sound Railways are waging a war against aliens. Some time ago these companies leased a number of locomotives from the Central Vermont Ry. for aiding in the hauling of the extensive lake grain trade from Parry Sound. At the same time a number of men were imported to run the locomotives, thus giving to aliens the work which should have belonged to Canadians. At present the engineers are provided with pilots, but these will shortly be removed, & with their removal the old employees of the lines state they will insist on the new men being sent back. It is stated the C.V. Ry. refused to lease the engines to the C.A. unless C.V. men were employed."

We communicated on the subject with General Manager Chamberlin, who replied as follows: "We have not now, nor have we had at any time, any C.V. engines under lease. We have a large number of engines & cars running through to the U.S.; & when business is heavy, more or less C.V. engines run over here as an offset. The statements in the despatch to which you refer were absolutely without foundation, as there has never been any complaint or cause for complaint on the part of our employees."

Canadian Ticket Agents' Association.

The 12th annual meeting will be held at the Russell House, Ottawa, Oct. 12. The present officers are:—President, W. E. Rispin, Chatham, Ont.; 1st Vice-Pres., S. Burrows, Belleville, Ont.; 2nd Vice-Pres., G. Dunham, Quebec; 3rd Vice-Pres., W. H. C. McKay, St. John, N.B.; Sec.-Treas., E. De La Hooke, London, Ont.; Auditor, S. H. Palmer, St. Thomas, Ont.; Executive Committee, J. McDonald, Arnprior, Ont.; W. H. Harper, Chatham, Ont.; C. E. Morgan, Hamilton, Ont.; T. Long, Port Hope, Ont. The association has over 100 members.