

it was shown from documents among the company's papers that he had failed in his duty as certifying engineer. He was unable to produce any memoranda showing the various computations on which he based the progress certificates, and his explanation of the method shows that it was not in accord with the terms of the trust deed, he stating that he made his calculations on a percentage basis of the whole contract, and that he had instructions from J. W. Moyes to prepare his estimate on the contract price. A large number of progress certificates in blank, signed by the Chief Engineer, were also found among the papers, showing that he had abdicated his functions and placed himself completely in the hands of J. W. Moyes, facilitating the latter's fraudulent purposes. As an instance of how the certificates were expanded,—in 1909 a quantity of steel rails were purchased for \$16,937.50, and a progress certificate was prepared and presented for \$28,229.17, which amount when reduced by 10% and by one third of the remainder, makes the precise amount of the account for rails. During 1909-10-11, it became necessary to meet the interest coupons, and J. W. Moyes drew \$58,900 on false progress certificates, when not a dollar of the amounts went into construction. The former Secretary of the company, in his evidence, stated that all the payments at Goderich and Toronto of which he has knowledge, on account of construction, were \$228,272.06, made up as follows:

Pay rolls and accounts paid at		
Goderich	\$153,905.55	
Ties (1909)	9,598.07	
Rails	\$74,275.40	
Less 30% paid in un-		
guaranteed bonds at par ..	22,282.62	51,992.78
Right of way	6,777.66	
Timber	1,000.00	
Additional construction, about ..	5,000.00	
		\$228,272.06

In addition to the foregoing, it is probable that payments were made from Toronto, for a locomotive, \$2,000, and for legal expenses.

The guaranteed bonds, with principal and interest, produced \$402,837.37, and it is reasonably certain that \$228,272.06 has been properly expended on the construction of the railway. This leaves to be accounted for, \$174,565.31, and the Board places the burden of accounting for this where it properly belongs, on J. W. Moyes. How much of this balance was legitimately applied for purposes of the railway, it is unable to say from the material at command, but documentary evidence makes it clear that of this balance which was all paid out to J. W. Moyes, large sums were deliberately misappropriated, as cheques and vouchers show approximately \$122,000 applied to other purposes, apparently personal.

The Board arrived at the following conclusions:—That J. W. Moyes, by false and fraudulent representation that \$12,500 had been paid on account of the capital stock, procured the company to be permanently organized; that no permanent capital was contributed beyond the proceeds of the sale of bonds guaranteed by the municipalities, although \$15,000 of unguaranteed bonds appear to have been taken in part payment of steel rails; that J. W. Moyes, in breach of the Ontario Railway Act, procured a colorable agreement for the construction of the railway, between the railway company, and the Huron Construction Co., which latter was in fact, himself; that by procuring to be issued false and fraudulent progress certificates, he withdrew from the Toronto General Trusts Corporation, the proceeds of the sale of the guaranteed bonds, and the Chief Engineer, by his gross negligence and breach of duty, aided and abetted J. W. Moyes in his fraudulent design; that owing to the fact that no books of account of the company's business

were kept, and that many vouchers for payments are missing, the Board cannot report with exactness how much of the amount so fraudulently withdrawn by J. W. Moyes, has been properly expended, but it is clear that while several thousands of dollars were applied to purposes foreign to the railway, \$228,272.06 was properly expended in railway construction and materials; that the assets of the company consist of right of way, which has been acquired for the entire distance, except about 12 parcels, and construction work and materials, according to the corrected valuation of H. W. Middlemist, C. E., is worth \$276,021.21; that all the company's liabilities known to the Board are the bonds guaranteed by the municipalities, of a par value of \$400,000, and a parcel of unguaranteed bonds of the par value of \$15,000, both of which are secured by a mortgage on the undertaking, and besides, there are outstanding unsecured accounts of approximately \$2,000.

Prosecution for Sale of Intoxicating Liquor to Electric Car Crew While on Duty.

What is reported to be the first case under the recently amended section of the Ontario Railway Act, which makes it a serious offence to supply intoxicating liquor to a train crew while on duty, was heard at Windsor, Ont., May 5, when A. Reaume of the Brighton Beach Hotel, was, on pleading guilty, fined \$10 and costs, amounting to \$16.50, for selling liquor to the conductor and motorman of a Sandwich, Windsor and Amherstburg Ry. car running between Ojibway and Sandwich Springs. The case was laid on the information of James Anderson, Manager, S., W. and A. R., and the magistrate in imposing the penalty, stated that he did not want to make it too heavy, this being a first offence, but any future offenders would be dealt with as severely as the law allowed. He also emphasized the fact that it was an extremely dangerous practice to sell liquor to men driving street cars.

Sec. 244 of the Ontario Railway Act, covering the point, reads as follows,—

Every person who sells, gives or barter any spirituous or intoxicating liquor to or with any servant or employee of any company while actually employed in the course of his duty on a train or car or while in uniform or in connection with the operation of a train or car, is liable on summary conviction to a penalty not exceeding \$25, or to imprisonment with or without hard labor for a period not exceeding one month, or to both.

Pitt River Bridge, Coquitlam, B. C.—The British Columbia Government received tenders to May 26 for the construction of the substructure and the erection of the steel work for the bridge across the Pitt River at Coquitlam. It is expected that the work will be started July 1, and completed within two years. The estimated cost is \$700,000. It would, however, have been considerably more, but the Government purchased from the C.P.R. the superstructure of its single track bridge across the Pitt River, about 200 yards south of the proposed traffic bridge, which has been replaced by a double track bridge. The bridge, it is proposed, shall carry tracks for an electric railway, for which the Western Canada Power Co. holds a charter. The projected line will run from Vancouver to Mission City.

The Regina (Sask.) Municipal Railway has indefinitely postponed the proposed purchase of 4 double truck cars for which tenders were invited recently.

Operating Results of Calgary Municipal Railway.

Following is the statement for the calendar year 1913, of this line, of which T. H. McCauley is Superintendent:—

REVENUE.	
Car earnings:	
Passengers	\$733,218.89
Chartered cars	1,994.05
Freight	735.37
Street sprinkling	6,000.00
	\$741,948.31
Miscellaneous earnings:	
Advertising	\$10,643.59
Post card sales	111.50
Commissions	9.15
	10,764.24
General revenue:	
Bank interest	\$15,013.74
	15,013.74
Total revenue	\$767,726.29

OPERATING EXPENSES.	
Maintenance of way and structures:	
Track and roadway	\$16,299.17
Electric lines	5,712.00
Buildings and fixtures...	1,397.21
	\$23,408.38

Maintenance of equipment:	
Cars (bodies and trucks) ..	\$53,840.94
Electric equipment of cars ..	15,490.41
Miscellaneous equipment ..	50.85
Shop expenses	3,367.61
Elec. vehicles, operation ..	508.15
	73,257.96

Transportation:	
Hired power	\$151,320.32
Superintendence	6,745.20
Wages of conductors	119,017.09
Wages of motormen	119,016.94
Misc. car service employees	1,059.23
Car service supplies	16,043.34
Misc. car service expenses	2,003.79
Cleaning and sanding track	8,608.20
Removal of snow and ice ..	1,868.30
Operation of sprinklers ..	2,217.94
	427,900.35

General Expenses:	
Salaries of general officers ..	\$5,880.00
Salaries of clerks	7,116.22
Printing and stationery ..	949.86
Misc. office expenses	1,793.27
Advertising and attractions	443.19
Misc. general expenses ..	5,118.86
Damages	18,041.72
Rent of land and buildings ..	1,293.75
Insurance	3,511.26
Store expenses	625.49
Elec. vehicles, operation ..	116.72
Contingencies	6,234.62
	51,124.96

Less credit per stock account; increase in stock on hand between Dec. 31, 1912 and 1913 ..	537.92
--	--------

Total operating expenses	\$575,153.73
Debt interest	71,671.98
Debt sinking fund	34,007.95
Taxes	2,452.27
Rental charged by City of Calgary on land and conduits	931.68
Profit and loss	298.64
Surplus	83,160.04
	\$767,726.29

Disposition of surplus:	
Carried to depreciation replacement account	\$70,266.64
Carried to net revenue account ..	12,893.40
	\$83,160.04

MISCELLANEOUS STATISTICS.	
Car miles	3,040,214
Car hours	348,218
Fare passengers	18,355,274
Transfer passengers	6,478,332
Total passengers	24,833,606
Average fare, revenue passengers ..	3.994c
Average fare, all passengers	2.952c
Car earnings per car mile	24.404c
Misc. earnings per car mile354c
Gross earnings per car mile	24.758c
Car earnings per car hour	\$2.13070
Misc. earnings per car hour03091
Gross earnings per car hour	\$2.16161
Operating expenses per car mile	18.918c
Operating expenses per car hour	\$1.65170
Employees (Dec., 1913)	350

As a city railway system tends to centralize business and spread out the residence area, its action is both centripetal and centrifugal. It is serving the best interests of the community in opposite directions.