

the exact amount of which is not yet determined. The additional Liability will, however, be offset by Additional Assets of exactly the same amount, as the Liability represents a further pipe system of precisely the same value as that is to be taken over by the Company.

ALBERT CARVELL,

Secretary-Treasurer.

Verified,

RIDDELL, STEAD, GRAHAM & HUTCHISON,
Montreal, 11th June, 1913. Chartered Accountants.

THE NEW NAVIGATION COMPANY

The Richelieu & Ontario Navigation Company will shortly pass out of existence and its place taken by a larger company bearing the title of "The Canada Lakes, River and Ocean Corporation."

The authorized capital of the new company will be \$25,000,000, of which one-half will be 7 per cent. cumulative preferred stock and half common stock. There will also be a bond issue of \$7,500,000 of 5 per cent. 30 year debentures. The assets of the new corporation are placed at \$32,584,688, and the net earnings having regard only to new tonnage, are placed at \$1,916,948. It is expected that the R. & O. securities will be exchanged as follows:—

For every old share of R. & O. stock, shareholders will receive 1 1-5 shares of preference stocks and 2-5 of a share of common stock in the new company. Brown Shipley & Company have undertaken to issue all the preference shares in London at par. Shareholders, who prefer to do so, can dispose of their holdings at \$120. The Companies to go into the enlarged merger are the following: Richelieu & Ontario Navigation Company, Inland Lines, Limited, Northern Navigation Company, Niagara Navigation Company, St. Lawrence River Steamboat Company, Richelieu & Ontario Navigation Company of United States, Quebec Steamship Company, Canada Interlake Line, Ontario & Quebec Navigation Company, Merchants Montreal Line and the Thousand Islands Steamboat Company.

This merger rounds out the more or less loosely put together organizations known as the Richelieu & Ontario Navigation Co., Limited, which began the absorption of smaller navigation companies some two years ago.

DOMINION STEEL CORPORATION.

The annual meeting of the Dominion Steel Corporation will be held in Montreal on Wednesday, the 18th, inst. The annual report of the company mailed to shareholders this week contains among other things, the following statements, viz.,

The net earnings of the corporation and its constituent companies amounted to \$4,714,057, out of which \$1,009,050 was set aside for depreciation and sinking funds. Besides providing for all charges and dividends including \$1,227,101 on the common stock of the Company, the reservation fund and surplus were increased during the year by \$1,272,199.

The report also announced that the Steel Company recently sold bonds in England amounting to £200,000, and that the Directors had under consideration the issuing of additional securities. Commenting on the report and conditions underlying the steel trade, Mr. Plummer said in part:—

"In view of the conditions that prevailed during the past year, your directors regard the result as encouraging. The prices received for steel products in the earlier part of the year were low; the cost and output were

affected adversely by the pressure to complete the new plant, and as before, a considerable part of the product had to be marketed in forms of finished steel which, owing to the condition of the tariff, were unprofitable. In addition, while part of the expenditure of new capital on your properties has increased fixed charges, it has not yet produced the increased earning power which you are entitled to expect.

The tariff remains unchanged, but the other disadvantageous conditions have passed or are passing away. The acute depression in iron and steel prices, resulting from the conditions which prevailed in the United States was severely felt by the Company during the first half of the year, notwithstanding the heavy demand for these products; but conditions in this respect have greatly improved, and better prices are now being obtained. In the financial year upon which we have now entered your business will have the advantage of larger outputs, of ability to produce more profitable forms of finished steel by means of the new mills, and, it is hoped, of lower costs."

GRAND TRUNK EARNINGS

The Grand Trunk Railway traffic earnings from June 1 to 7 continue to show a splendid increase as is evidenced by the growing traffic over the entire system. Following are the figures:—

1913.....	\$1,114,348
1912.....	983,931
Increase.....	\$130,417

RAND MINES OUTPUT

In May the mines of the Rand produced 794,306 fine ounces of gold against 784,974 fine ounces in April and 779,662 fine ounces in May, 1912. The output for May was valued at £3,373,998 compared with £3,334,358 in April and £3,311,794 in May, 1912.

MANITOBA'S GRAIN ACREAGE.

An increase of 18,127 acres in wheat acreage and 190,906 in barley is shown in the Manitoba Department of Agriculture's bulletin just issued.

A summary of the area seeded is as follows: Area under wheat, 3,141,218 acres; oats, 1,939,723; barley, 1,153,834; flax, 115,054; rye, 10,936; peas, 4,115; total area under grain crop, 6,364,880.

TO SELECT AUDITORS.

Soon after the new bank act comes into operation the beginning of next month the Canadian bank managers will be called together to select the rota of auditors authorized by the new law. There will be forty in all. The list will afterwards be approved by the Minister of Finance, and from it the shareholders of the different banks will make selections for the special audit.

FORT WILLIAM'S PROGRESS.

(Special Correspondent of Journal of Commerce).

The city of Fort William now boasts of having some thirty odd manufacturing concerns, this includes the nine industries secured during 1912, and while some