or two, and underwriters are "hung up" with as much as 90 per cent of one large issue. But the Bank of England statement was not particularly discouraging, and if the war clouds brighten there will be a speedy easing of the money market. It is well, however, to remember that the prodigious trade of the world is making heavy calls on cash, and that the war is not answerable for all the stringency existing.

WILL C.P.R. SEGREGATE ITS ASSETS ?

The rumour is again in circulation that the Canadian Pacific Railway Company is about to segregate its assets, separating the earnings of the railroad proper from those of its steamships and land departments. This rumour was in circulation a year ago, and met with an emphatic denial from Sir Thomas Shaughnessey. The fact, however, that it has been brought to light again, originating on this occasion in London where Sir Thomas is now visiting, has called fresh attention to the whole question.

It is interesting to examine the assets of the Canadian Pacific Railway Company in view of the rumour, and see just how the Company would shape up were this separation to take place. Some two years ago, the Canadian Pacific Railway Company increased its dividend from 8 to 10 per cent, 3 per cent of the 10 being paid out of the proceeds of land sales, while the 7 per cent is made up from railroad and steamship earnings. The Company is in the peculiar, but favourable position of having many extraneous assets, all of which contribute to the favourable financial standing of the corporation. It possesses steamship lines on two oceans, fleets of boats on the Great Lakes, has a chain of hotels across the continent, possesses many valuable coal mines, a telegraph system, an express service, and last and by no means least, several million acres of farm lands on the prairies and coal lands in British Columbia.

The Canadian Pacific Railway Company have been in the habit of issuing new capital or increasing its dividend every year or two for the past ten or a dozen years. A new stock issue was made last year, but practically the whole of this will be absorbed by the projected extensions and improvements to the Company's lines in the West, and in some quarters it is hinted that the Company will shortly make an additional stock issue or indulge in some other form of "melon-cutting." Holders in some quarters are asking for an increase in dividends. The only way the Company can increase the dividend is by separating its holdngs into two or more companies. Under the Charter obtained from the Dominion Government the Canadian Pacific Railway Company are unable to increase its dividend above 10 per cent, without submitting its rates to the Dominion Government for revision. It is believed that the railroad will get around this technicality by sub-dividing its assets, giving shareholders a more generous return on their money from the proceeds of the land sales. An examination of the Company's assets strengthens the contention that they could very easily increase the dividend above the 10 per cent which they are now paying. From the proceeds of the land sales alone, the Company now obtains in the neighbourhood of $10,000,000 a year. It still possesses some 7 million acres of agricultural land in the prairie Provinces, which is selling in the neighbourhood of $16.00 per acre, and almost 4 1-2 million acres of fruit, agricultural and coal lands in British Columbia, some of which is of almost untold value. A conservative estimate places the value of the Company's lands at approximately $200,000,000, a sum almost equal to the outstanding common stock of the Company. The following shows the land sales for the past dozen years:—

Year.	Acres Sold.	Av. price per acre.	Amount realized.
1912	669,639	$15.99	$10,710,143
1911	650,874	14.69	9,558,427
1910	975,030	14.84	14,468,564
1909	376,046	13.52	5,085,517
1908	164,400	9.54	1,561,165
1907	994,480	5.92	5,887,377
1906	1,115,743	5.84	6,513,452
1905	509,386	4.80	2,446,300
1904	928,854	4.10	3,807,248
1903	2,639,617	3.67	9,695,673
1902	1,589,068	3.29	5,277,762
1901	399,808	3.15	1,262,224
1900 (x)	268,669	3.20	860,006

(x) Figures for 6 months only, from Jan. 1st to June 30th.

Last year the Company showed gross earnings of $123,319,541 made up as follows:—

From passengers	$31,812,207
From freight	79,833,734
From mails	859,557
From sleeping cars, express, telegraph and miscellaneous	10,814,041

Five years ago, or in 1907, the earnings compare as follows:—

Total $72,217,527 made up from:

Passengers	$19,528,878
Freight	45,885,968
Mails	722,937
Sleeping cars, express, telegraph & miscellaneous.	6,079,744

The following record, covering a period of 25 years taken at 5-year intervals, shows how rapid have been the increases in the earnings of the Company:—

Year.	Gross.	Net.
1886	$10,081,000	$ 3,703,000
1891	20,241,000	8,009,000
1896	20,682,000	8,619,000
1901	30,855,000	12,109,000
1906	61,670,000	22,973,000
1911	104,168,000	36,700,000
1912	123,319,541	43,298,242

The following shows the stock issues made by the Canadian Pacific Railway Company during recent years:—

Issued previous to 1902	$65,000,000
Issued March 27th, 1902	19,500,000