

sale of the line to the reorganization syndicate, and to set aside the incomplete sale. Mr. Lewis is a bondholder, and also a judgment creditor.

The judgment creditors and outside bondholders allege that their interests are being sacrificed by the Philadelphia Investment Co., and that the sale to the reorganization syndicate should be annulled. The defendants in the action are: the Philadelphia Investment Co., the B. W. and S.S.M. Ry. Co. and the members of the re-organization syndicate. The allegation of the plaintiffs is that the Investment Co. is not an ordinary bondholder, but is practically the successor to R. G. Hervey, the contractor for the line. The B. W. and S.S. M. Ry. Co. was incorporated by the Ontario Legislature in 1884, and in April, 1886, a contract was entered into with the Dominion Government by which a subsidy of \$128,000 was to be paid for the construction of 40 miles of railway from Brockville towards Westport. R. G. Hervey engaged to construct the line, and, according to the judgment creditors, was, in fact, the company as well as the contractor. He proceeded with the work, obtained subsidies of \$3,200 a mile from the Dominion Government to construct the line from Newboro' for 20 miles towards Palmer's Rapids, and \$116,000 of aid from the Municipalities. The financing of the project was done by pledging the subsidies as security for rails, etc., with certain of the judgment creditors, and by pledging the shares and bonds of the Co. with the Philadelphia Investment Co. Later on, it is alleged that the Investment Co. took over the interests of R. G. Hervey as contractor, shareholder and bondholder. The line has been constructed from Brockville to Westport, about 45 miles, and the Dominion Government has paid \$105,200, equal to \$3,200 a mile on 32.875 miles. Upon their showing of the facts the judgment creditors, in their statement of claim, ask the court for a declaration that the Investment Co. stands in the same position as did R. G. Hervey, the original contractor, with the Ry. Co. for the construction of the railway, and is liable to complete the line; that the Investment Co. be directed to proceed with the construction and completion of the railway, and that, in default of its so doing, its claim as bondholder be postponed to that of all other creditors, and that the bonds be charged with a lien for the payment of debts incurred in the construction and equipment of the line; that the Investment Co. is not entitled to interest on the bonds until the line is completed; for an injunction restraining the Investment Co. from proceeding with the sale; and for an order that the present Receiver be discharged and a new one appointed; and for an order setting aside the purchase of the line on Jan. 20 by the re-organization syndicate. (Mar., pg. 105.)

British Columbia Electric Ry. Co.—Earnings and expenses for Jan.:

	1902.	1903.	Increase or Decrease.
GROSS EARNINGS.			
Railway—Vancouver division	\$9,176	\$12,028	\$2,852+
Victoria "	8,374	9,023	649+
Westminster "	7,301	8,558	1,257+
Lighting—Vancouver division	16,192	20,751	4,559+
Victoria "	9,016	10,366	1,350+
	50,059	60,726	10,667+
Less working expenses	31,976	35,149	3,173+
	18,083	25,577	7,494+
Renewal funds	3,458	4,222	764+
Net income	14,625	21,355	6,730+
Gross earnings, July 1, 1902, to Jan. 31, 1903	354,803	493,237	138,434+
Net earnings, July 1 to Jan. 31, 1903	126,573	141,063	14,490+

Calgary and Edmonton Ry.—Net earnings for Jan. \$20,678.51, against \$30,368.34 for Jan., 1902.

Canadian Northern Ry.—Gross earnings:

	1902-03.	1901-02.	Increase.
July.....	\$132,300	\$ 87,200	\$45,100
Aug.....	130,900	97,000	33,900
Sept.....	209,300	103,300	106,000
Oct.....	190,200	120,610	69,590
Nov.....	259,800	119,142	140,658
Dec.....	202,300	129,918	72,382
Jan.....	154,700	102,067	52,633
	\$1,279,500	\$759,237	\$520,263

Working expenses for Jan., \$103,090; net earnings \$51,610, against \$36,737 for Jan., 1902; net earnings for seven months to Jan. 31, \$450,366, against \$311,127 for same period, 1901-02.

It is said that the principal purpose of President W. Mackenzie's visit to London, Eng., was to raise money by the sale of bonds to finance construction for this year, that large quantities of the Co.'s bonds have recently been shipped from Toronto to London, and that they were sent to fill orders secured by Mr. Mackenzie. It is believed that all the stock of the C.N.R. is closely held in the hands of Mackenzie, Mann & Co., and that the sale of bonds form their main source outside of present earnings to obtain money with which to carry through the construction. The Canadian Bank of Commerce, which is sometimes said to be behind the Canadian Northern, occupies no other position than that of ordinary bankers.

(See also Great Northern Ry. of Canada.)

The Cape Breton Electric Co., in addition to owning the electric railway in Sydney, is constructing an electric railway from North Sydney to Sydney Mines, and owns jointly with the Dominion Coal Co. the Sydney and Glace Bay Ry., which it operates; it also owns the ferry service in Sydney harbor, and the electric light works in Sydney. The Co. has issued \$850,000, out of an authorized issue of \$1,500,000 of first mortgage, 30 year, 5% gold bonds, due 1932; \$234,000 of 6% preferred stock (redeemable at 120) out of an authorized issue of \$250,000, and \$1,000,000 of common stock. The bond issue is callable as a whole at 105 and interest, on any interest day, and a sinking fund of 1% a year on outstanding bonds is accumulating. The gross earnings for the ferry department for the year ended Dec. 31, 1902, were \$33,219.49, and of the electric light department \$46,125.11; net earnings: ferry, \$9,549.50; electric light, \$21,276.53. The railways, the franchises of which expire in 1931 and 1932, have been put in operation too recently to permit of any earnings being published. The annual meeting is fixed for the first Tuesday in May. Stone & Webster, Boston, Mass., who are interested in a large number of electric railway and light projects in different parts of the United States, are General Managers.

Central Ontario Ry.—The action of the Toronto General Trusts Corporation against the C.O. Ry. Co., which was directed to be entered by order of the court in order that conflicting interests may be unified so that a clear title can be given on a sale, came before the non-jury assizes at Toronto, Mar. 15, and has not been decided.

Chateauguay and Northern Ry.—Application is being made at the current session of the Dominion Parliament for an act confirming the issue of debentures, and the mortgage given to secure the same. The debentures were issued for the purpose of enabling the Co. to proceed with the construction of its line from Montreal to Joliette, Que., and the bridge at Bout de l'Île.

Dominion Atlantic Ry.—Gross earnings for Jan. \$48,500, against \$61,051 for Jan., 1902.

Great Northern Ry. of Canada.—The negotiations respecting the purchase of stock in this company by Mackenzie, Mann & Co., have been completed and the board of direct-

ors has been re-organized. By the purchase Mackenzie, Mann & Co. are placed in control, and will at once look into the entire service with a view of making such improvements as may be necessary to meet the requirements of their traffic. The reorganized board of directors consists of: Hon. P. Garneau, Hon. S. N. Parent, V. Chateauvert, J. G. Scott, of Quebec; Colonel McNaught, of New York; H. H. Melville, of Boston, Mass.; J. T. Joyce, Montreal; D. B. Hanna, Z. A. Lash, K.C., W. H. Moore, F. E. Annesley, and A. J. Mitchell, of Toronto. D. B. Hanna is Third Vice-President Canadian Northern Ry., and the other Toronto directors are in Mackenzie, Mann & Co.'s offices. The directors who have retired are Hon. J. Tessier, E. E. Ling, of Quebec; W. L. Bull, of New York; H. E. Mitchell, of Philadelphia, Pa.; and J. Joyce, of Boston, Mass. Hon. P. Garneau has been elected President, Col. J. McNaught 1st Vice-President, and H. H. Melville 2nd Vice-President. (Mar., pg. 90.)

It is said that a holding company, the Great Northern of Canada Consolidation Securities Co. has been formed with a capital of \$8,000,000 to take over the securities of the Great Northern Ry. Co. of Canada, the Chateauguay & Northern Ry. Co., the Montford and Gatineau Colonization Ry. Co., and the Montreal Terminal Ry. Co., and that the control of the new company is held by Mackenzie, Mann & Co., J. McNaught and H. H. Melville. It is also said that a contract has been entered into between the Canadian Northern and the Great Northern railways by which they interchange all export and import traffic possible.

Great Northern Ry., U.S.—In taking over the Nelson and Fort Sheppard Ry. the G.N.R. came into possession of the land grant of 600,000 acres voted by the B.C. Legislature to the Co. in 1893, free of taxes for 10 years. Not more than 50,000 acres are reported to have been sold, leaving 550,000 acres still to be disposed of. Local press reports state that the G.N.R. is considering the question of allowing these lands to revert to the Government by not paying taxes thereon. The lands consist of mountainous stretches, remote from settled camps, which are most unlikely to be acquired by ranchers or lumbermen, and which are hardly worth the amounts for which they may be taxed.

Halifax Electric Tramway Co.—Gross receipts from railway:

	1903.	1902.	Increase or Decrease.
Jan.....	\$10,867.33	\$10,764.58	\$102.75+
Feb.....	9,321.75	8,498.39	823.36+
	\$20,189.08	\$19,262.97	\$926.11+

Kettle River Valley Ry.—Application will be made at the current session of the Dominion Parliament for an act authorizing amalgamation with any other railway company, or to acquire the stock or bonds of any other company, or to guarantee its bonds. The K.V. Ry. Co. is the Dominion incorporation covering the Kettle Valley Lines from Grand Forks, B.C., to Republic, Wash., and the projected extensions of the same.

Lake Superior Co.—Application will be made at the current session of the Ontario Legislature for an act consolidating under the above title the following Sault Ste. Marie companies: International Transit Co., Algoma Dry Dock Co., Lake Superior Power Co., Sault Ste. Marie Pulp and Paper Co., Tagona Water and Light Co., Algoma Steel Co., Algoma Tube Co., Algoma Commercial Co. and the Canadian Electrical Chemical Co.

The Levis County Ry. Co. is applying at the current session of the Quebec Legislature for an act ratifying the issue of debentures, when made, and the trust deed passed on the subject.