

EXPANSION TAKING PLACE IN ELECTRIC RAILWAYS

Progress and Development During Recent Years Has Been Most Rapid--Has Tended Largely to Popularize Suburban Districts--Mileage in Canada is Comparatively Small.

Up to the present time, railway development in Canada has absorbed the attention of financiers, business men and the largest proportion of the public with the result that little or no attention has been paid to expansion taking place in connection with electric railways.

While it is true that the mileage of such roads in Canada is comparatively small, being but 1,856 miles, their progress and development during recent years has been most rapid.

The same is true in the United States, where the electric railways now get one dollar for every five received by the steam roads, as compared with one for every seven a decade ago.

The earnings of electric railways show less fluctuation during periods of depression than do those of steam railways. This is largely owing to the fact that people have become accustomed to the payment of a "nickel," and to the fact that they are forced to use street railways owing to the distance they live from the centre of the city.

The use of electricity has done much to popularize suburban districts. As men cannot walk to and from their work, they are forced to use the street cars, with the result that earnings keep up whether times are good or bad.

Another reason why electric railways are proving profitable is due to the fact that economies are being practiced in the use of electrical appliances. When first used, electricity was an expensive luxury, but such success in the year has witnessed economies in its operation until to-day some of the greatest railroads on the continent are substituting electric power for steam power.

The following tables cover the gross and net earnings of some of the principal electric companies in Canada:

City	1913		1912	
	Gross Earnings	Net Earnings	Gross Earnings	Net Earnings
HAMILTON.				
1913	\$ 2,737,806	\$1,281,813		
1912	2,563,371	1,203,912		
Mileage: 25 miles single track in Hamilton, and 83 miles of interurban lines.				
HALIFAX.				
1913	\$ 605,934	\$ 268,925		
1912	539,952	253,392		
Mileage: 13.15.				
LONDON.				
1913	331,867	97,050		
1912	306,231	95,953		
Mileage: 34.97.				
MONTREAL.				
1913	\$6,754,227	\$2,721,563		
1912 (9 months)	4,355,403	1,736,460		
Mileage: 236.77.				
NIAGARA, ST. CATHARINE AND TORONTO RAILWAY (Niagara Falls.)				
1913	\$ 516,782	\$ 330,064		
1912	498,179	291,730		
Mileage: 59.7.				
OTTAWA.				
1913	\$1,041,282	\$ 412,160		
1912	934,298	400,059		
Mileage: 45.				
QUEBEC.				
1913	\$1,524,200	\$ 629,020		
1912	1,415,825	680,990		
Mileage: 17 miles in Quebec, and 30 miles suburban, of which 6 are double track.				
SHERBROOKE.				
1913	\$ 126,648	\$ 51,928		
1912	89,440	51,848		
Mileage: 10.				
SYDNEY N.S. (CAPE BRETON ELEC. CO.)				
1913	\$30,951	\$ 170,998		
1912	360,176	165,296		
Mileage: 31.5.				
TORONTO.				
1913	\$6,040,018	\$2,925,710		
1912	5,448,650	2,581,500		
Mileage: 114.				
WINNIPEG.				
1913	\$4,078,695	\$1,826,088		
1912	3,765,384	1,761,236		
Mileage: 115.46.				

NEW CAPITAL ISSUES IN MAY

In the United States During the Past Month Aggregated over \$143,000,000

INCREASE \$82,000,000

Issues Were Attractive in Various Classes and Received Prompt Response from Investors.

New York, June 2.—Applications for new capital during the past month on the part of railroad and industrial corporations were on a slightly larger scale than in May a year ago.

They indicated a total of \$143,000,000, compared with \$141,557,000 in 1913, an increase of \$1,948,700.

Increases are noted in railroad notes, preferred bonds, and industrial bonds, the output of the first-named having exceeded that of last year by about 75 per cent.

However, particular attention should be called to the fact that the totals include large sums to pay off or refund maturing obligations, for which due allowance should be made.

What throws some light on this feature of the month's financing is the statement showing that the June maturities will total \$120,255,000; those for May were \$75,220,000, and for April \$61,847,000.

The following table classifies the month's financing (actual issues), and changes with a year ago:

1914		1913	
Bonds	Change	Bonds	Change
.. \$33,903,000	+\$5,308,000	.. \$28,595,000	-\$10,500,000
Notes	.. 75,008,000	.. 8,776,000	.. 15,467,300
Stocks	.. 2,050,000	.. 15,042,000	.. 15,042,000
Total	.. \$94,934,000	.. \$143,223,000	.. \$143,223,000

Industrial Corporations.

1914		1913	
Bonds	Change	Bonds	Change
.. \$18,933,000	+\$13,593,000	.. \$5,340,000	.. \$10,500,000
Notes	.. 248,703,000	.. 104,607,300	.. 15,467,300
Stocks	.. 15,789,300	.. 15,467,300	.. 15,467,300
Total	.. \$48,672,300	.. \$121,374,300	.. \$121,374,300

Railroads.

1914		1913	
Bonds	Change	Bonds	Change
.. \$273,000,000	.. \$20,083,200	.. \$252,916,800	.. \$10,500,000
Notes	.. 248,703,000	.. 104,607,300	.. 15,467,300
Stocks	.. 39,169,600	.. 66,995,500	.. 66,995,500
Total	.. \$560,872,600	.. \$524,520,000	.. \$524,520,000

United States Steel Corporation in April is Understood to Have Averaged Between Seventy and Seventy-five Per Cent.

New York, June 2.—Latest estimates by trade authorities of the probable earnings of the United States Steel Corporation for the current quarter ending June 30, indicate such authorities are satisfied that, notwithstanding the continued low volume of orders and restricted operations, profits of steel companies in the past two months have been considerably better than they were earlier in the year.

Apparently the expected better showing in the volume of orders was due mainly to the enforced economies which all steel concerns have been practicing. Somewhat increased shipments must, however, be reckoned as a profit-making factor.

April operations of the U. S. Steel Corporation are understood to have averaged between 70 and 75 per cent. May operations between 65 and 70 per cent, and the June average will probably be nearer 60 per cent.

It is believed that the earnings for April and May will aggregate between \$15,000,000 and \$16,000,000, while those for the quarter will be between \$45,000,000 and \$46,000,000, as compared with \$37,984,381 in the March quarter.

The increase in the volume of financial issues was because the issues were attractive in various classes and received prompt response from investors who are now inclined to take only choice material. It is the opinion of prominent bankers that if the Interstate Commerce Commission accords a fair increase in freight rates to the railroads, and if harvest indications should point to a more favorable market, both short term notes and long term bonds.

In addition to the month's output, it was announced at the close that negotiations between the St. Paul road and bankers were well advanced for the sale of \$20,000,000 of 4 1/2 per cent. bonds under the blanket refunding mortgage created last fall.

This sale will probably be consummated in the near future, and will swell the emission of securities in June.

BANK BUILDINGS IN CANADA



HEAD OFFICE, CANADIAN BANK OF COMMERCE.

STEEL CONCERNS ARE ECONOMIC

Somewhat Increased Shipments Reckoned as Profit-Making Factor

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TWENTY-FOUR BANKS IN UNITED STATES STARTED IN MAY

Washington, D.C., June 2.—Comptroller of the Currency Williams today announced that the approval of the Federal Reserve Act of December 23rd, 1913, there have been received 235 petitions from state or private banks for conversion to national banks.

Williams said that the petitions for conversion to national banks were received from 24 states, and that the conversion of these banks to national banks will be completed by the end of the month.

The largest and most perfect topaz in the world, weighing 1,291 grains, was recently offered for sale in Toronto, and owing to superlatives by which it was surrounded, brought only \$4,470.

The heaviest increase is shown by American securities, which gained \$5,750,000, or 1.6 per cent.

The Colorado strike has cut the coal output in that State 1,000,000 tons, and cost \$12,000,000 in eight months.

One of the newly elected deputies of the French Legislature is advocating the tapping of a new source of public revenue. He claims that the duel in political literary and society affairs, and that it should therefore come under tax now levied on signs and hand bills.

ILLINOIS TRACTION.

Gross earnings of Illinois Traction in April were \$701,645, as compared with \$612,004 in the same month a year ago, an increase of 14.64 per cent.

Operating expenses were higher by about \$92,000, however, and total expenses about \$90,000 higher.

As a result there was a slight decrease, 0.27 in net earnings, which stood at \$238,982 against \$239,625 in April, 1913.

For four months gross totaled \$2,731,665, an increase of 7.57 per cent, and net \$1,065,973, an increase of 4.40 per cent.

DOMINION TRUST CO.

Dominion Trust Company, regular quarterly dividend of 2 per cent, payable July 2, to shareholders of record June 15. Books close from June 15 to 26, inclusive.

THEY TALK OPTIMISTICALLY BUT ACT THE REVERSE.

Wealthy capitalists talk optimistically, says a well-informed broker, but they continue to pay their money into bill-sliced bonds, and that is why stocks don't show more activity.

WAS LINKED WITH THE NEW HAVEN

Money Payment Was Important Factor in Staying Sharp Money Panic

MELLEN'S TESTIMONY

Estimated That Five Millions Would Make New York, Westchester & Boston a Paying Proposition.

New York, June 2.—Only one side of the New Haven investigation has been heard and that side quite full, it seems, of prejudice. A confidential president who has been discharged by a new Administration, is liable to allow some bitterness to light up his testimony.

Thus far the one point at which the investigation centres is the payment of \$11,000,000 in the purchase of the New York, Westchester & Boston. The endeavor has been to surround this payment with mystery.

The Boston News Bureau prints a notable article on the Mellen testimony, in which it shows that the panic of 1907 was linked with the New Haven operations and that the \$11,000,000, like the purchase of Tennessee Coal & Iron by the Steel Corporation, was one of the important factors in staying one of the sharpest money panics that the world has ever known.

It says:—In the beginning of 1907, Mr. Mellen offered 27 millions of "Free Loan" money at a comparatively low rate. Mr. Mellen said he did not want the millions; he had no use for them. Mr. Morgan, as chairman of the New Haven finance committee, "take all you can get."

And Mr. Mellen borrowed and continued borrowing early in 1907 until he had piled up more than \$50,000,000. When the panic was sharp the New Haven road was able to stand by the Pennsylvania Railroad, and to the New York Central Railroad, and to the Connecticut and Rhode Island, and prevent any runs thereupon.

Mr. Morgan also did other things but was never called upon to report to the president, or the public.

Now at that time had Mr. Morgan or Mr. Mellen called the 27 directors of the New Haven road together and told what had been done with the New Haven treasury in arresting the panic, the directors might have summoned the stockholders and then 22,000 shareholders of the New Haven road might have gladly voted in approval of Mr. Morgan's action with their treasury, whether it was pledged to the savings banks of Connecticut or Rhode Island, or loaned to the Pennsylvania or New York Central, or whatever else was done with it.

The only thing in Mr. Mellen's testimony that shows what was really done is that dramatic incident in the midst of the 1907 panic when Mr. Mellen asked for more extended reports in respect to the disposition of the 11 millions in the purchase of the New York, Westchester & Boston.

Everybody knows that the centre of the panic was around the Trust Co. of America, which had some Tennessee Coal & Iron loans and was interested in the New York, Westchester & Boston. Had the Trust Company of America gone down on one can now tell what would have been the result of that panic, with other trust companies and banks in New York and throughout the world. The gold base of credit transactions never had such a trial put upon it.

Mr. Morgan relieved Oakleigh Thorne and his Trust Company of America, and the relief was in the purchase of the \$11,000,000. Many New Haven directors have for some years believed that in this way the New Haven's contribution to the 1907 panic relief.

The matter had been in negotiation for a long time; but the 1907 panic forced its conclusion for the public good. It is probable that but for the 1907 panic no such conclusion of the matter would ever have been reached. It was estimated at the time that five million more would make the road the ablest built railroad in the United States, but its value depends upon the working out of large plans for the benefit of New England in its connection with the Pennsylvania System and the rest of the country.

STOCKS AT LONDON.

The usual monthly comparison published by the London Bankers' Magazine of the aggregate value of 387 securities dealt in on the London Stock Exchange shows a decrease for May of £2,629,000, or 0.06 per cent, which follows a decrease of £1,649,000, or 0.6 per cent, in April.

The heaviest increase is shown by American securities, which gained £5,750,000, or 1.6 per cent.

The Colorado strike has cut the coal output in that State 1,000,000 tons, and cost \$12,000,000 in eight months.

COSTLY STRIKE.

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MARITIME SECURITIES.

(Quotations furnished by J. C. Mackintosh and Co., members Montreal Stock Exchange, Exchange Bldg., 115 St. James St.)

British North America .. 112 1/2 148
Can. Bank of Commerce .. 205 203
Nova Scotia .. 205 203
Royal Bank of Canada .. 221 220

Miscellaneous:—
Acadia Fire Insurance .. 100 95
Do, Ordinary .. 65 60
Brandram-Henderson, com. .. 20 25
E. Can. S. & L. .. 150 145
Eastern Trust, com. .. 102 103

Mar. Nat. Pref., with 40 p.c. .. 100 97
Com. Stock Bonus .. 100 97
Mar. Tel. and Tel. Pref., 10% .. 100 95
Do, Com. .. 100 95
N. S. Underwear Pref., .. 98 94
Do, Com. .. 40 40
Trinidad Electric .. 73 73

Bonds:—
Brandram-Henderson, 6 p.c. 97 95
Eastern Car, 6 p.c. .. 100 97
Maritime, 5 p.c. .. 100 98
Mar. Tel. and Tel., 6 p.c. 105 105
N. S. S. & C. Firsts, 5 p.c. 88 85
Do, 6 p.c. Deb. Stock .. 98 98
Porto Rico, Tel., 7 p.c. .. 100 98
Stanfield Elec., 5 p.c. .. 87 87

A SUGGESTION

IF you are particularly impressed by any article in the Journal of Commerce, mention it to those who might be interested in it

We shall always be glad to send a marked copy of the paper to any of your friends, if you will send us the name and address and mention the title of the article you wish your friend to see

Manufacturers are Slow in Ordering Supplies—Working on Short Time

The tone of the local drug and chemical market is very quiet at the present time, and there is no particular movement in any one line to be noted. After the opening of navigation, practically all the spring importations came in, so that at present they are of a dribbling nature.

Manufacturers are slow in ordering and most of them are working on short time. They are not buying more than they absolutely have to and in consequence, trade is of a hand-to-mouth nature. The demand for goods is stayed otherwise than moderate, and the tone of the market is quiet.

In the local paint trade, however, business has been very good with the jobs and retailers and with the recent fine weather, it is thought that this demand will continue for some time.

There is a good demand for turpentine and though prices are unchanged, the tone might be described as strong. White lead is firm—glacé and putty are active at unchanged quotations.

OILS AND ACCESSORIES.

Class: 50 ft. 100 ft.
First break .. 1.95 3.65
Second break .. 2.05 3.85
Third break .. 2.00 4.30
Fourth break .. 4.25 4.85

Petroleum:
Can. Prime White, per gal. .. 0.15
U.S. Water White, per gal. .. 0.17 0.15 1/2
U.S. Fuel Oil, per gal. .. 0.24 0.17 1/2
Benzine single bbls. per gal. .. 0.24 0.27 1/2
Motor Oil in bbls. per gal. .. 0.24 0.27 1/2
Resin bbls. ton .. 0.80 0.85
according to grade

Red Dry Lead:
Genuine per cwt. .. 6.15 6.20
No. 1 per cwt. .. 5.90 6.00
White Lead ground in Oil:
Decorative per cwt. .. 1.00 1.00
No. 1 per cwt. .. 8.10 8.75
Whiting, in bbls .. 2.70 2.70

Putty:
Ball .. 3.30 2.40
Bladders, in bbls .. 2.80 2.90
Cement and Firebrick:
Canadian Portland in bags per bbl. .. 1.65 1.70
Fire bricks per ton .. 1.00 1.00
Fire clay, net ton .. 5.00 19.00

Varnishes:
Brown Japan, per gal. .. 1.20 1.25
Black Japan, per gal. .. 1.15 1.15
Carriage No. 1, per gal. .. 1.50 1.50
Orange Shellac varnish, per bbl. .. 1.80
Lith. varnish, per bbl. .. 1.75 1.85
Stovewood varnish, per bbl. .. 3.00
gross .. 9.60

Glue:
French medall .. 0.14 0.15
German prima .. 0.17 0.17
White glue .. 0.10 0.12
White glue .. 0.21 0.22
Pine Tar:
Half Pint Tins per 1/2 .. 0.60
Full Pint Tins per 1/2 .. 1.10

CHEMICALS AND DYESTUFFS.

Acetic 28 degs. bils. .. \$6.30
Caustic soda, domestic, .. \$5.30
Lab. .. 0.02 1/2 0.02 1/2
70 to 75 p.c. .. 0.03 1/2
Powdered or granulated .. 0.03 1/2
70 p.c. .. 0.03 1/2
Citric .. 0.65 0.70
Lactic .. 0.65 0.70
Muriatic 18 to 20 degs. .. 0.04 0.05
Nitric .. 0.01 0.02
Optim. ca. .. 0.06 1/2 0.07 1/2
powdered .. 5.75
granular .. 7.25
Oxalic .. 0.20 0.21
Picric .. 0.07 0.08
Sulphuric 66 degs. drums .. 0.10 0.00
Soda, bicarb. .. 0.02 0.03
Soda, bicarb. .. 0.02 0.03
Tannic crystals .. 0.28 0.32
Tartaric crystals .. 0.28 0.32
Acetate of soda, caustic .. 0.30 0.31
Alumina, blood, dry .. 3.40 3.45
Alumina, egg .. 0.22 0.20
Alumina, red .. 0.42 0.45
Alum. lump .. 0.28 0.32
Alum. ground .. 1.65
Alum. powdered .. 1.75 1.85
Ammonia, 28 p.c. .. 0.02