

moving the needle point. Raising the wheel clear of the paper, put the instrument in its former position and repeat the operation as often as necessary to bring the wheel near the zero position. Then swing the instrument round the tracing point into a convenient position for measuring the area, keeping the measuring wheel clear of the paper the meanwhile. Make the final adjustment by slow careful movements of the needle point, and when the wheel exactly registers zero push the needle point into the paper.

The formidability of the above description is equalled by the simplicity of the operation, as a few trials will demonstrate.

WILL DEFAULT INTEREST

(The Monetary Times).

On First Mortgage Bonds of Quebec and Lake St. John Railway—Company to be Reorganized.

That the Quebec and Lake St. John Railway Company will default on the payment of its first mortgage bonds on January 1st, 1910, and that the company will then be reorganized is the information learned on the best authority by the Monetary Times.

There is much speculation in London as to why the bonds of this company have severely and persistently declined. According to the latest mail advices from London, the price of the first mortgage bonds has dropped to 64. They have been as high as 90½ this year. The income bonds which have touched 24⅞ are quoted below 14. The highest price for the prior lien bonds this year has been 95½ and apparently in sympathy, these securities too have lost more than 10 points.

Yearly and October Traffic Returns

The traffic returns for October show gross receipts of \$53,000, or a decrease of \$11,900, making the aggregate gross receipts for the ten months to date \$497,700, or a decrease of \$32,600. These decreases, taken in conjunction with the position shown in the report, have given rise to misgivings. Gross earnings for 1908 amounted to \$606,300, or a decrease of \$56,900, and net earnings were only \$78,900, a decrease of \$84,500, or 51.78 per cent., over those for 1907. These net earnings, the report shows, did not cover the interest on the Prior Lien bonds, whose annual charge is \$97,300, quite apart from the interest on the First Mortgage bonds, which requires \$106,100. Allowing for the payment of the interest on the Prior Lien and First Mortgage bonds and other charges, apart from the income bonds, there was a debit balance on the year of \$148,700. The interest on the Prior Lien and First Mortgage bonds was paid apparently by means of loans, there being an item in the balance-sheet of \$567,800 for advances on capital account re La Tuque and Gosford branches, and advances to meet interest charges and other pressing debts.

Expectations Were Not Realized

The directors state that a considerable portion of the loss on working expenses was incurred in connection with the La Tuque branch, which was undertaken on the assumption that its cost would be somewhat more than half of what proved to be the case, and in the expectation that the near approach of the completion of the Quebec Bridge would soon secure to the Company a large freight business from the paper and pulp mills that were to be constructed at La Tuque. But the collapse of the bridge, which postponed for several years the advantageous rates, in expectation of which the construction of the branch was undertaken, together with the depression in pulp and lumber industries, retarded the development of this property, and there is apparently no immediate prospect of extensive works at the La Tuque Falls being undertaken. Meanwhile, the directors continue, the outlay on maintenance and unremunerative service must be continued.

Will Mean Reorganization

Freight rates were raised in 1908. Had this not been done, the receipts from that traffic, say the directors, would

only have been \$269,600, or \$79,200 less than they really were. For 1907 the net earnings were short of the amount required to pay all interest and charges other than that on income bonds by \$40,100, but in 1906 they were \$4,300 in excess.

The reasons accepted in London for the decline in the company's securities are the poor traffic returns and the unsatisfactory state of affairs shown in the last report. But the real reason the Monetary Times learns on the best authority is that the company will default on the payment and interest on its first mortgage bonds on January 1st. The interest on the prior lien bonds will be paid. A meeting of the shareholders and various owners will then be called to consider the re-organization of the company. The Railway Share and Trust Company represent the Quebec & Lake St. John road in London.

History of the Road

The road which is controlled by stock ownership, was incorporated in 1869 in Quebec and the first section was opened in 1871. The principal line runs from Quebec to Chicoutimi, Que., a distance of 227 miles. The total mileage is 286.5 miles with 39 miles of sidings. The equipment consists of 23 locomotives, 30 passenger cars, 745 freight and other cars and 28 service cars. A majority of the stock is owned by the same interests which control the Canadian Northern Quebec Railway Company. The bonded debt is made up of £500,000 prior lien 4s., dated April 1st, 1901, a first lien on the property of the company; £442,400 first 5s. due December 31st, 1924. (The interest on these bonds was at the rate of 4 per cent. per annum until July 1st, 1905), £640,000 non-cumulative income 6s.

The reorganization will probably put the road in better financial and physical shape.

NEW INCORPORATIONS

James Richardson & Sons, Kingston, Ontario, \$750,000; will carry on an elevator and warehouse business. H. W. Richardson is one of the incorporators.

The Torrey Asbestos Machinery Company, Limited, Montreal, Quebec, \$50,000, will manufacture mining, milling and general machinery. Chas. G. Greenshields of Montreal, is a provisional director.

The Canada Bolt & Nut Company, Toronto, Ontario, \$500,000; will carry on business of iron founders, manufacturing and dealing in all kinds of machinery and implements. Gerard B. Strathy, solicitor, Toronto, is interested.

Cartwright Automatic Press Company, Montreal, Que., \$500,000; will carry on business of iron founders, makers of printing presses, etc. John W. Blair, advocate, Montreal, is a provisional director.

Baillet's Gas and Steel Machine Company, Montreal, \$45,000, will construct and operate a steel plant. L. J. Beique advocate, is interested.

Yellowhead Coal Company, Limited, Toronto, Ontario, \$2,000,000; Harcourt Ferguson, lawyer, is a provisional director.

RECENT PATENTS.

The following patents have been issued, recently, through the agency of Fetherstonhaugh, Dennison & Company, patent solicitors, Liverpool and London and Globe Building, Montreal; Alex. Bertram, gypsum cement; J. M. Coleman, railway car construction and roller side bearings; Arthur Drowley and Donald D. McLean, snow plough; C. W. Metcalf, acetylene gas generators; R. Mortimer axe; R. D. Smith, weeder and cultivator; Harry Swales, wheel tyres; Lionel Turner, wheels for vehicles; S. A. Youngberg and J. B. Parnall, car fender.

Messrs. Marion & Marion, patent attorneys, Montreal and Washington, D.C., report the following Canadian patents recently secured through their agency: 121,939, F. Walton, London, England, road vehicle suspension arrangement; 122,019, Wilhelm Sonnberg, Charlottenburg, Germany, cages for ball bearings; 122,043, A. Allan and T. Bowling, Wellington, N.Z., fire alarm; 122,111, James A. McNeill, Digby, N.S., press stand and iron stand combined; 122,147, Arthur Wilzin, St. Quen (Seine), France, screw closure for bottles and other receptacles; 122,194, A. Baillet and A. Menager, Montreal, furnace grate.