

for a stipulated rate of interest, not for the principal and interest, and cannot therefore be classified with bonds.

The mileage to which stocks applied was 28,307, to which bonds applied was 26,300, and to which consolidated debenture stock applied was 11,950.

The following facts with respect to government-owned and operated lines will be instructive:—

	Miles.	Capital cost.	Cost per mile.
Intercolonial	1,455	\$103,035,580	\$70,815
Prince Edward Island	279	8,920,623	31,973
Temiskaming & Northern Ontario	334	19,813,245	59,321
New Brunswick, Coal and Railway	58	1,936,600	32,217
Total	2,123	\$133,706,048	

The relationship of dividends and net earnings to share capital during the past seven years is shown in the following table:—

Year.	Debenture stock.	Interest on debenture stock.	Stocks.
1907			\$588,568,591
1908			607,891,349
1909			647,534,647
1910			687,557,387
1911			749,207,687
1912			770,459,351
1913	\$163,257,224	\$6,337,188	755,316,516
1914	173,307,470	6,805,320	853,110,633

Net earnings in the foregoing table are the difference between gross receipts and operating expenses.

It must be borne in mind that prior to 1913 the interest on the debenture stock of the Canadian Pacific was included with dividends.

There was an increase of \$3,101,228 in the aggregate of dividends paid, as compared with 1913.

Mr. James J. Hill, three years ago at Montreal, said that Canada had enough railroads for a population of 8,000,000. Considering that our population is much less than that figure, it would seem that for the time being anyway we are "over-railroaded." When the application for an increase in Western freight rates was heard, railroad counsel made no bones about the large railroad debt upon which interest has to be paid. Some of our railroad stocks have value at their back; some represent practically nothing. Organization expenses have at times been paid out of subsidies or bond issues. Governments and municipalities have been liberal, to use the mildest term, in

granting subsidies to Canada's railroads. The record of this assistance since 1875 is as follows:—

By the Dominion	\$178,834,000
By provinces	37,023,000
By municipalities	17,914,000
Total	\$233,771,000

There was also granted as aid in railway construction 43,613,000 acres of land. Then there has recently been in favor a system of guaranteeing the securities of railway companies, as the result of which the Dominion and the provinces have been made liable for over \$406,000,000 of bonds, of which \$268,710,000 have been executed.

Doubtful it is whether the guarantors have always recognized the seriousness of the liability they undertook in guaranteeing the bonds of railroads. Their actions smacked of the old Irish farmer who backed a note for a

Dividends on stocks.	Per cent. on stocks.	Net earnings.	Stocks and debenture stock.	Per cent.
\$12,760,435	\$2.17	\$42,989,537	\$588,568,591	7.30
12,955,243	2.11	39,614,171	607,891,349	6.51
19,230,126	2.97	40,456,252	647,534,647	6.24
21,747,914	3.16	53,550,777	687,557,387	7.78
30,577,740	4.08	57,698,709	749,207,687	7.70
31,164,791	4.04	68,677,213	770,459,351	8.91
27,333,373	3.72	74,671,160	918,573,740	8.13
30,434,601	3.56	64,108,280	1,026,418,123	6.25

friend, which note duly ruined him. When the sheriff came to seize the farmer's property, he exclaimed, "I only did it to help my friend. I assumed no obligation." When the question of the bond guarantee of \$45,000,000 Canadian Northern bonds came up last year there was loud protest from the West because, it was contended, the proposed railroad financing would increase freight rates. Western Canada was strongly opposed to the bond guarantee. Then someone reminded the West that their provincial governments had guaranteed many millions of dollars of the company's bonds and hinted at a dire catastrophe, should those governments be called upon for their guarantee. That changed the mind of the West.

The railway statistics of Canada afford considerable food for reflection and for cautious procedure. As one writer says, "it will take the quiet man who makes traffic a long time to catch up with the promoter who finds gain in building."

Mr. Alexander Dow has been appointed permanent liquidator for the Columbia Finance Company and the Heaps Timber Company, Vancouver.

Mr. A. J. E. Sumner, of the Willoughby-Sumner Company, who returned to Saskatoon from England recently, says that British capital will be available for investment in Canada when the war is over in larger quantities than in the past. For several years, Mr. Sumner has made his residence in London.

Mr. George A. Medcalfe has been elected president of the Winnipeg Real Estate Exchange, with Mr. C. E. Simonite as first vice-president and Mr. H. M. Schinbine as second vice-president. Mr. George H. Balls is secretary-treasurer. In his address the retiring president, Mr. Fred. H. Stewart, gave a comprehensive review of the real estate situation. He stated that there had been few sacrifice sales in Winnipeg. There had been a revival in the demand for farm properties, although this had not been to the extent hoped for. What was needed, he said, was a reconstructed immigration system, which would place the newcomers on the soil at once.

Sir George Paish, who since the outbreak of war has been acting as financial adviser to the Imperial chancellor of the exchequer, has now completed his work at the treasury, and will, after a short holiday, resume his duties as joint editor of the London Statist.

Mr. W. W. Butler, senior vice-president of the Canadian Car and Foundry Company, Limited, Montreal, has arrived in London after a visit to Petrograd. He has succeeded in securing an order from the Russian artillery department for 2,500,000 each shrapnel and explosive shells, worth \$70,000,000, says a London cable message.

Mr. Frederick Dane, commercial agent for Canada at Glasgow, has been appointed one of the Ontario board of license commissioners. Mr. Dane was formerly a commissioner at Toronto of the Temiskaming and Northern Ontario Railway. The other license commissioners, who will administer the license liquor laws of the province, are Messrs. J. D. Flavell, merchant, Lindsay, chairman; W. S. Dingman, publisher, Stratford, vice-chairman; John A. Ayearst, Government liquor law enforcement official, Toronto; and George T. Smith, mining recorder, Haileybury.