

the Whitaker Wright tangle. Already, in fact, there are slight recoveries.

Whilst on this point I might mention that the offer here of 2.555 six per cent. debentures of \$500 each in the White Pass, and Yukon Railway seems to have met with a fair response as a somewhat attractive speculative investment.

The most interesting item of news in the weeks news of our Home Railways is the ordering of 40 ton modern steel freight cars by the North Eastern and Caledonian Companies. Thus we all hope for the sake of the future of our internal goods traffic is the beginning of the end of the old creaking 9 or 10 ton wooden wagon.

NEW YORK STOCK LETTER.

Office of Cummings & Co., 20 Broad Street, New York City.
New York, February 26, 1902.

The sensation of the week has been the action of President Roosevelt in regard to the Northern Securities matter. Some time ago he requested an opinion from Attorney-General Knox, as to the status of this Company with respect to the Sherman Anti-Trust Act. The Attorney-General replied that, in his judgment, it violated the provisions of the Sherman Act of 1890, and the President thereupon directed that a suitable action should be brought against the Northern Securities Company to have the question judicially determined. Steps were at once taken to prepare a bill in equity, which will be filed within a very short time. The general anticipation was that the decision of the Supreme Court, which was expected would be handed down on Monday, would be in favour of the Securities Company. Consequently, the action of the President was a great and disagreeable surprise, and the market, which had been dull and listless, promptly proceeded to have an hysterical attack, which at one time bid fair to run into a small-sized panic, operators and holders ignoring entirely the fact that the institution of proceedings was only the beginning and that the decision, as in the case of the Trans-Missouri matter, might not be reached for years. It should be observed that the Attorney-General merely announces his personal opinion that the Company violates the Anti-Trust Act of 1890, and that the President proposes to have the Courts pass on the question. If, then, the Northern Securities Company believes itself not amenable to the Act, it can safely welcome judicial investigation. If, on the other hand, it does exist in violation of the law, then the sooner its managers know the truth the better. A test of the standing of the Securities Company was bound to come and it is far better to have the question determined now than later. In moving at this time the President is understood to have taken the position that, market-wise, such action would be less injurious than at a later date, and in this view he was undoubtedly right; but it is open to debate whether all market disturbance would not have been avoided had the matter been allowed to leak out gradually instead of being brought out suddenly as it was.

On Monday, as was expected, the decision of the Supreme Court was handed down, the opinion being read by Justice Shiras, and the motion for leave to file the Bill was denied on the ground that this Court is without jurisdiction. The judge summed up the judgment of the Court as follows: "As the Great Northern and Northern Pacific Cos. are indispensable parties, without whose presence the Court, acting as a court of equity, cannot proceed, and our constitutional jurisdiction would not extend to the case if these Companies were made parties defendant, the motion for leave to file the proposed bill must and is denied." In fact, as stated in our letter of February 5 last, the State of Minnesota is referred for whatever relief it may demand to the companies within its own borders. We have given considerable space to this matter because from what we learn there is quite likely to be several companies of the same character as the Northern Securities

Co., and a settlement of the question for this Company will be a settlement for all.

The statement issued by the Delaware, Lackawanna & Western Company is a most gratifying exhibit to the stockholders. It shows that the Company earned for the year ending December 31, 1901, an amount equal to about 12 per cent. upon the capital stock. The total gross earnings were \$23,507,634—\$2,619,870, or 12.54 per cent. more than in 1899, when they decreased 2.05 per cent. from 1899. The operating expenses last year were \$13,612,179, a falling off of \$140,962, or 1.02 per cent. There is in the report a curious contrast in the operations of the past three years, for in 1900, when the first effect of the new policy began to show, the operating expenses rose 17.19 per cent. above those of 1899, the item of maintenance of way and construction alone exhibiting an increase of 63.80 per cent. Now the satisfactory condition of increased gross earnings and decreasing operating expenditures has been reached. Net earnings last year showed an increase of 38.70 per cent., whereas in 1899 they declined 25.60 per cent.

There has been no general movement in the market for some days, but specialties have held the general attention. Colorado Southerners has been one of the active specialties, and shows an advance of some 6 per cent. St. Joseph and Grand Island has been marked up some 3 per cent., and others in proportion. Wabash Debenture B's have sold to-day at 75¼, and bid fair to go higher. We understand that the Wabash has just ordered some \$3,500,000 of new rails and other equipment, which should put this Company in a position to considerably increase its income in the near future. While general conditions of business continue good and railroad earnings still show satisfactory returns, the general stock market does not respond, and such advances as are made, except in the specialties referred to, appear to be the settlement of short contracts. It is a market in which great caution should be exercised, and advantage taken of all sharp declines in the standard stocks, and moderate profits accepted.

TORONTO LETTER.

Our Latest Contributions to the Fire Loss Bill for 1902.—

Were the Rates Adequate to the Hazards?—Two Prohibition Questions in Consideration—Is it timely to Make Further Increase in any Toronto Risks?

DEAR EDITOR,—Last week's fire record for Toronto, which includes the Menzie Turner Window Shade Factory loss and the Merchants' Dyeing and Finishing Company, is said to equal in extent the whole fire loss last year in this city. As claims are not yet adjusted I cannot say if the statement is correct or not. It is enough, however, to know that enough loss has been sustained by the companies interested to spoil the profit of perhaps a full quarter of this year's transactions as regards Toronto. The fire, I hear, originated in the Window Shade Factory, the tariff rate for which is 3.85, building and contents, and involved the almost total destruction and heavier loss of the Merchants' Dyeing and Finishing Company's premises, which were rated at 1.10 building, and 1.16 contents, although separated by a space only of twenty feet from the Shade Factory. It is regrettable that one factory in a locality where there seems to be plenty of space available, should have been erected so near to the other that each endangered the other. Certainly, the rate charged to the Merchants' Dyeing and Finishing Company by the underwriters, considering the exposure, was very liberal indeed. Twenty feet space between buildings situated upon an exposed plot of high ground is hardly worth notice in estimating a fire hazard and fixing a suitable rate, when one of the buildings is occupied for a hazardous manufacture in the estimation of fire experts.

There are two matters that are interesting Ontario communities just now, one of a very general interest, Prohibition, and the other stirring up a section or class only, namely, the