

Canadian Pacific Railway Earnings for Year Ended June 30, 1916.

After a C.P.R. directors' meeting in Montreal, Aug. 14, a preliminary statement of earnings and expenses for the year ended June 30 was given out. Following are the figures, with a comparison for the three previous years:

Fixed charges are slightly lower; the usual \$125,000 is set aside for pension fund; the amount transferred from general railway account to special income account as net earnings of coastal steamers, commercial telegraph and news de-

	1915-16.	1914-15.	1913-14.	1912-13.
Gross earnings	\$129,481,885	\$98,865,210	\$129,814,824	\$139,395,699
Working expenses	80,255,965	65,290,582	87,388,896	93,149,825
Net earnings	\$49,225,920	\$33,574,628	\$42,425,928	\$46,245,874
From steamship dept.	1,245,563
Total net earnings	\$49,225,920	\$33,574,628	\$42,425,928	\$47,491,437
Fixed charges	10,306,196	10,446,510	10,227,311	10,876,352
Surplus	\$38,919,724	\$23,128,118	\$32,198,617	\$36,615,085
Steamship replace	1,000,000
Balance	\$38,919,724	\$23,128,118	\$32,198,617	\$35,615,085
Pension fund	125,000	125,000	125,000	125,000
Balance	\$38,794,724	\$23,003,118	\$32,073,617	\$35,490,085
To special income	1,923,289	1,494,152	2,115,842
Available for dividends	\$36,871,435	\$21,508,966	\$29,957,774	\$35,490,085
Dividends for year	21,427,277	21,419,051	20,259,521	17,179,828
Net surplus for year	\$15,444,158	\$89,915	\$9,698,254	\$18,310,257
SPECIAL INCOME ACCOUNT.				
Special income	\$9,940,955	\$10,969,392	\$8,587,870	\$6,598,151
Dividends	7,800,000	7,800,000	7,350,000	5,850,000
Surplus	\$2,140,955	\$3,169,332	\$1,237,870	\$ 748,151
Previous surplus	6,266,144	3,096,812	1,858,941	1,110,790
Total surplus special income	\$8,407,099	\$6,266,144	\$3,096,812	\$1,858,941

*After making allowance for contingent reserves.

The chief feature of interest in the statement was the special income account, in view of the fact that the principal features of the regular railway earnings had been previously announced. The special income consists of interest on the proceeds of land sales, interest on deposits and loans, earnings from ocean steamships and hotels, net earnings of Pacific Coast steamships, commercial telegraph, and news department, interest on railway and other bonds and dividends on railway and other stocks held by the company, revenue from interest in coal mine properties, etc. The amount announced as being derived from this source for year ended June 30, \$9,940,955, was smaller than early estimates, but it is stated that it is arrived at "after making allowances for contingent reserves." The presumption is that the estimates of a larger amount for this fund out of the year's operations may not have been far wrong, but that the management has made some special appropriations from the total for purposes which may be more fully explained in the annual report or at the annual meeting. While the special income is over \$1,000,000 under the figures of the preceding year, it is larger than any other previous year. It is considered certain, however, that this department of the company's income is one that will grow.

The general statement of railway earnings shows that the net this year of \$49,225,920 creates a new record, although the gross is nearly \$10,000,000 under the record created in 1912-13. Working expenses in 1915-16 were nearly \$13,000,000 below the 1912-13 record.

The railway surplus of \$15,444,158 against the narrow one of \$89,915 in the preceding year, together with the special income surplus of \$2,140,955 create a total of \$17,585,113. This shows that the company earned from all sources 6.76% over and above the 10% distributed during the year to the shareholders from the combined accounts.

partment is \$1,923,289, or nearly \$500,000 more than a year ago.

After allowing for the preference dividend, which would take \$3,227,277, the balance remaining for the common stock is \$33,644,158, equal to 12.93% earned, against the 7% paid in dividends under railway account. The special income account, out of which the additional 3% common stock dividend is paid, yielded \$9,940,955, or 3.83% earned. After payment of the 7% dividend out of one account and the 3% out of the other, there was a net surplus of \$15,444,158 in the one case and of \$2,140,955 in the other, or a total net surplus for the year of \$17,585,113, against a corresponding surplus of only \$3,186,727 the previous year.

The 239th Railway Construction Battalion, Canadian Expeditionary Force, which is being recruited under Lt. Col. J. W. Stewart, Vancouver, B.C., has opened recruiting offices in Toronto and London, Ont. The battalion is being organized to do railway construction work only at the front; and only men experienced in railway construction are being enlisted. About 500 have already enlisted and are now training at Valcartier Camp, Que. The battalion will, it is said, go direct to the front as soon as it is recruited to strength.

Royal Commission on Canadian Railway Situation. We are officially advised that the work of investigation by the commission has already commenced and is well under way, and that as soon as outside work has advanced sufficiently and office work becomes necessary an office will be opened in Ottawa and a secretary will be appointed.

The Canadian Northern Quebec Ry. applied to the Quebec Courts recently for a writ directing the Montreal Stockyards Co. to accept at its stockyards the care of cattle brought into the city over the company's line. The order asked for was made by Judge Mercier, Arg. 15.

Railway Finance Meetings, Etc.

Algoma Central & Hudson Bay Ry.—A meeting of shareholders will be held at Sault Ste. Marie, Ont., Sept. 20, to elect directors, receive the report of the directors for the year ended June 30, and ratify the acts of the board done since the last meeting of shareholders. The shareholders of the Ontario, Hudson Bay and Western Ry., and of the Algoma Eastern Ry. will also meet on the same day for the same purposes. T. J. Kennedy is President and Alex. Taylor, Secretary of each of the companies.

Canadian Northern Ry.—A lease of rolling stock from the Imperial Rolling Stock Co. to the Canadian Northern Ry., dated Aug. 1, has been deposited with the Secretary of State at Ottawa.

Grand Trunk Pacific Ry.—There has been deposited with the Secretary of State at Ottawa a mortgage dated June 28, made between the company and the Minister of Finance, representing the King, to secure a loan not exceeding \$8,000,000. The granting of this loan was authorized at the Dominion Parliaments last session.

Inverness Ry. and Coal Co.—An unconfirmed press report from Nova Scotia states that negotiations are in progress between the Railways Department and the company, which is controlled by Mackenzie, Mann interests, for the sale of the company's railway line to be used as a branch of the Intercolonial Ry. The railway extends from Inverness Jct., 1.5 miles from Point Tupper, to Inverness, N.S., 60.9 miles.

Quebec & Saguenay Ry.—A press report states that the proposal, authorized last session of the Dominion Parliament, for the purchasing of this line was ratified by the Government Aug. 4.

Temiscouata Ry.—The net earnings for May were \$4,105, and for 11 months ended May 31, \$32,248.

Toronto, Hamilton & Buffalo Ry.—There has been deposited with the Secretary of State at Ottawa duplicate original of consolidated mortgage dated Aug. 1, between the T. H. & B. Ry., and the Guaranty Fund Co. of New York, as trustee, securing the company's bonds to an amount not exceeding \$10,000,000.

White Pass & Yukon Ry.—In pursuance of an agreement adopted at a meeting of holders of the 5% consolidated first mortgage debenture stock, and 6% debentures, held in London, Eng., Feb. 16, the interest payable on these securities for the year ended June 30, is being paid by the issue of income debenture stock.

White Pass and Yukon Route.—Gross earnings from Jan. 1 to July 14, \$719,353 against \$581,307, for same period 1915.

Railway Lands Patented.—Letters patent were issued during July, in respect of Dominion railway lands in Manitoba, Saskatchewan, Alberta, and British Columbia, as follows:—

	Acres.
Calgary & Edmonton Ry.	656.18
Canadian Northern Ry.	2,709.00
Canadian Pacific Ry.	12.93
Grand Trunk Pacific Ry.	37.81
Grand Trunk Pacific Branch Lines Co.	33.65
Qu'Appelle, Long Lake & Saskatchewan Rd. & Steamboat Co.	1,280.00
Total	4,729.57

C.P.R. Experimenting with Pulverized Coal.—A press report states that the C.P.R. is conducting experiments with the view of using Crow's Nest Pass coal in a pulverized state in its locomotives.