

The mileage covered by the statement of gross earnings and working expenses has increased from 10,983 miles in 1912, to 11,602 miles in this fiscal year. The business of a number of these new lines will add but little to the gross income for a time while traffic is being developed, but meantime their maintenance and operation have a marked effect on the working expenses. This, coupled with expenditure for maintenance of way and of equipment and advances in the wage scale in some branches of the service, will account in a large measure, for the abnormal increase in working expenses over the previous year.

The item "railway and equipment" in the balance sheet is \$69,491,729.27 more than it was in 1912, after applying upwards of \$10,000,000 from surplus account. Of this amount \$30,137,885.86 represents the cost of additional rolling stock, \$9,113,050.21 the expenditure for the construction of branch lines, \$36,809,675.82 for additions and improvements to your property, and \$3,126,347.32 for additional shops and machinery over the whole system.

The undermentioned directors will retire from office at the approaching annual meeting. They are eligible for re-election: Mr. David McNicoll, Mr. Charles R. Hosmer, Hon. Robert MacKay, and Hon. James Dunsmuir.

What Balance Sheet Shows.

The condensed balance sheet on June 30, 1913, shows:

Assets	
Railway and equipment	\$452,320,780
Ocean, lake and river steamships	23,049,283
Acquired securities (cost)	100,207,933
Properties held in trust for the company	4,386,260
Deferred payments on land and townsite sales	44,499,115
Advances to lines under construction	13,750,205
Advances and investments	12,072,205
Material and supplies on hand	18,628,206
Current assets	11,253,284
Temporarily invested in Government securities	10,088,734
Cash in hand	30,274,848
	\$720,531,465

In addition to above assets, the company owns 6,287,250 acres of land in Manitoba, Saskatchewan and Alberta (average sales past year \$15.77 per acre), and 1,697,994 acres in British Columbia.

Liabilities.	
Capital stock	\$200,000,000
Payments on subscription to new issue capital stock (\$60,000,000 at 175)	63,451,667
Four per cent. preference stock	74,331,339
Four per cent. consolidated debenture stock	163,257,224
Mortgage bonds	13,157,520
Algoma Branch, first mortgage	3,650,000
Current liabilities	30,511,302
Interest on funded debt and rental of leased lines	1,391,801
Equipment obligations	880,000
Equipment replacement fund	2,425,426
Steamship replacement fund	5,061,338
Appropriation for additions and improvements	17,912,996
Reserve fund for contingencies	3,569,463
Lands and townsites sales	63,334,285
Surplus	77,597,100
	\$720,531,465

Railway Equipment and Service.

The statement of the equipment on June 30 shows the company to have the following:

Locomotives	2,052
First and second-class passenger cars, barrake cars and colonist sleeping cars	2,063
First-class sleeping, dining and cafe cars	436
Parlor cars, official and paymasters' cars	84
Freight and cattle cars (all kinds)	79,085
Conductors' vans	1,274
Boarding, tool and auxiliary cars and steam shovels	5,414
together with ocean, lake and river steamers.	

The work done in the carriage of freight in the two past years was as follows:

	1912	1913
Flour, barrels	8,459,850	8,093,936
Grain, bushels	151,731,691	171,952,738
Live stock, head	1,663,315	1,782,986
Lumber, feet	2,806,735,006	3,210,306,090
Firewood, cords	305,079	293,536
Manufactured articles, tons	7,196,225	9,519,346
All other articles, tons	9,092,821	9,625,665
	1912	1913
Number of tons carried	25,940,238	29,471,814
Number of tons carried one mile	10,391,650,965	11,470,001,871
Earnings per ton per mile	0.77c	0.77c

The passenger traffic record was as follows:—

	1912	1913
Number of passengers carried	13,751,516	15,480,934
Number of passengers carried one mile	1,626,577,067	1,784,683,370
Earnings per passenger per mile	1.96c	1.99c

INSURANCE RATES ON ST. LAWRENCE

London Underwriters' Decisions—Arguments of Quebec Boards of Trade.

The institute of London underwriters has come to an important decision respecting the rates of insurance to be charged for the St. Lawrence trade. According to the Times, the institute, in consideration of the extensive works undertaken by the Canadian government for the improvement and safer navigation of the river, has appointed committees to confer with Lloyds and other marine insurance companies, says a Canadian Associated Press cable.

Among the alterations to be submitted to the institute are, first, that vessels are to be allowed to trade to Halifax and St. John without any additional premium; second, that the period of navigation for the fixed additional premium may be extended to the 15th or to the end of October, and, third, that a smaller additional premium should be charged for cancelling Baltic and British North American warrantys.

Said to be Discrimination

Canadian interests considered this matter also at a convention of delegates from the boards of trade of the province of Quebec which was held at Chicoutimi to take into consideration marine insurance rates on the St. Lawrence. The rates of insurance on grain cargoes from Montreal to Liverpool last year ranged from 25 cents per \$100 in summer to 45 cents per \$100 during the latter part of November, while from New York and Boston the figure was 15 cents per \$100 throughout the whole year.

That the difference constitutes an effective discrimination in favor of United States ports is indicated by the fact that of 87,579,696 bushels of Canadian wheat which were forwarded from Fort William and Port Arthur last year, 45,326,450 bushels were shipped to Europe through the Dominion, and 42,252,246 bushels via the United States. Of grain of all kinds, nearly 64 per cent. exported from Canada last year went via the States. Besides this, Canadian flour to the extent of 1,364,250 barrels was forwarded through United States ports.

Rates Have Been Lowered

The Monetary Times, discussing marine insurance rates of the St. Lawrence route, a few weeks ago, said:

"In view of the recent controversy regarding the insurance rates on cargoes between Canada and the United Kingdom, the following figures, compiled from official statistics prepared by the Government, are submitted, from which it will be noted that the rates in 1900 were over double what they were in 1912. There has been a gradual drop in the rates since 1900, and, comparing these in periods of six years, the results are as follows: The average insurance rate via Montreal to United Kingdom by first-class steamers was in 1900, 56c. per \$100; in 1906, 32½c.; and in 1912, 25½c. The reduction in 1912 on the 1900 rate is 31½ c. per \$100, or over 56 per cent.

The average insurance rate by tramp steamers via Montreal in 1900 was 1.15 per \$100; in 1906, this had been reduced to 95c., and in 1912 the rate by tramp steamers via Montreal averaged 61c., showing a reduction on the 1900 rates of 54c. per \$100, or equal to 47 per cent.

The rate by first-class steamers via New York in 1900 was 20c. In 1906 this had dropped to 17½c., while in 1912 the New York rate was 15c., a reduction on 1900 rates of 5c., or equal to 25 per cent., from which it will be seen that a reduction in rate via Montreal covering the period between 1900 and 1912 was proportionately greater by 50 per cent. than the reduction via New York during the same period.

PUBLICATIONS RECEIVED

A volume designed primarily for the use of secretaries, directors and managers of companies, is the Manual of British Columbia Company Law, by Messrs. Douglas and Rorie. This is both authoritative and replete with information for their guidance and for others interested in laws dealing with corporations.

The joint authors of which are, one a well known company lawyer, and the other a chartered accountant, both having had a wide experience both in Canada and in England in the respective fields.

Manual of British Columbia Company Law: Douglas and Rorie. Burroughs and Company, Calgary.

The Hon. W. T. White, Minister of Finance, before sailing from England, said that he found the financial situation greatly improved since the conclusion of peace in the Balkans, and he was quite satisfied that the financial world in London understood perfectly that Canada in all great fields of production, was only on the threshold of her development.