

# AMONG THE COMPANIES

## C. P. R.'S STRONG POSITION.

The C. P. R.'s balance sheet for the year ending June 30th, made public last week along with the annual report reveals some decidedly interesting changes, notably large increases in cash holdings and in reserves, as compared with the figures of a year ago. Cash holdings of the company at the end of June approximated the highest in the history of the company, although not a cent of new financing was carried out during the year. "Cash on hand" amounted to \$41,581,680, against \$17,055,269 a year ago, and in addition there is the virtual equivalent of cash in a new item of \$5,272,690, representing money temporarily invested in war loans. For an approach to these figures it is necessary to go back to the accounts of 1910, when the company had \$46,165,817 in cash, in addition to \$10,088,734 invested temporarily in Government securities. The balance sheet still shows the latter item, but for the past two years it has been segregated from working assets as part of the security for the \$52,000,000 note issue.

While working assets increased nearly \$25,000,000 within the past twelve months the increase in current liabilities was less than \$3,000,000. The surplus representing net working capital was \$54,227,102, or nearly \$22,000,000 more than a year ago.

The balance sheet now throws light on what was meant by the phrase "after making allowance for contingent reserves," which was attached to the statement of special income for the year as announced a fortnight ago. Special income, it will be recalled, was somewhat smaller than in the previous year, contrary to the general expectation of the benefits that would accrue from the company's large ownership of shipping. It was suggested at the time that "contingent reserves" might possibly include provision for a contingent liability in the form of war taxes. The balance sheet now shows an entry of "reserve fund for contingencies and for contingent war taxes" amounting to no less than \$14,103,178, against a corresponding entry of \$2,159,491 under the simple head of reserve for contingencies last year.

Equipment replacement reserves have been increased by more than \$3,755,000; steamship replacement reserve is about \$2,000,000 lower, but a new reserve of \$335,960 has been established under the head of marine insurance funds. In all, reserves and appropriations are given as \$24,801,796, against \$10,852,465 a year ago, although no appropriations under these heads are entered specifically in the income statement.

As to the detailed figures of the special income account, earnings from ocean steamships and hotels are given as \$3,583,292, against \$4,370,280 a year ago, but the President states in his report that the "revenue from your steamships is exclusive of an amount transferred to the reserve account to cover the cost of replacing ships sold or destroyed, and of a sum sufficient to meet any tax on excess profits that may ultimately be payable." Further, in evidence of the conservatism that has characterized the directors' treatment of the year's earnings it is stated that "the profits resulting from the manufacture in your company's shops of munitions of war, undertaken at the request of the Government, have not been taken into operating revenue, but have been applied as a set-off against contributions to patriotic and relief funds and other expenditures by your company directly due to the war, and not properly chargeable to working expenses."

## CANADA STEAMSHIP LINES.

The Canada Steamship Lines, Limited, voting trust, which was formed three years ago when the former Richelieu and Ontario Navigation Company was re-organized into its present corporate form, has been extended for a period of ten years.

The present voting trust does not expire until 1919, but it was evidently thought prudent on the part of the British and Canadian interests now in control of the company, to take early steps to insure the perpetuation of the present management for the longer period, or until 1929.

The voting trust certificates, now listed here, representing the stock put aside for purposes of control, will in the course of formalities associated with the extension, be exchanged for new certificates. It is not improbable that some additional stock has been secured to strengthen the position of the voting trust.



MR. E. P. HEATON,  
Head of Ontario's Fire Commission.

## JOINS MACKAY CO. BOARD.

At a meeting of the board of the Mackay Companies last week, Lord Shaughnessy was elected a trustee, having signified his acceptance of the office late last week. The election of Lord Shaughnessy gives this country three members on the Mackay board. Mr. H. V. Meredith, President of the Bank of Montreal, has been on the board since 1909, and Sir Edmund Osler, M.P., succeeded his partner, the late Mr. R. A. Smith, about three and a half years ago.

Lord Shaughnessy's connection with the company will probably have the effect of widening the investment demand for the Mackay securities both here and abroad. Few men in the financial world—and no other railway President—rank higher as administrator in the eyes of New York than he, and few other men on this side of the ocean can inspire greater confidence among investors in Great Britain and France.

## THE DULUTH-SUPERIOR TRACTION CO.

Comparative weekly statement of gross passenger earnings for month of August, 1916:

	1916.	1915.	Inc. or Dec.	Per Cent of Inc.
1st week . . . . .	\$28,564	\$21,698	\$6,866	31.6
2nd week . . . . .	30,604	21,547	9,056	42.1
3rd week . . . . .	27,430	22,520	4,909	21.8
Month to date . . . . .	\$86,600	\$65,767	\$20,832	31.7
Year to date . . . . .	\$858,125	\$712,569	\$145,555	20.3

## CANADA CEMENT DIVIDEND.

A further dividend of 3 per cent on the common shares was declared by the directors of the Canada Cement Company last week, payable September 16 to shareholders of record September 6. While no formal statement was issued, the dividend was accepted, after the 3 per cent paid in February, as confirming the inauguration of a 6 per cent per annum rate. The next half-yearly dividend will be due in March as the action of the board recently indicates an intention to separate the preferred and common stock dividend dates by a month to six weeks. The first common stock dividend early in the year was paid in February or at the same time as the preferred dividend.

## CHANGE IN ADDRESS.

Messrs. J. E. Hayden and Co., dealers in chemicals and dyestuffs, with offices at 30 St. Francois Xavier Street, have removed to 225 Lemoine St., Montreal.

## PARAGRAPHS.

Dividends and interest payments for September will reach the high record for this period of \$142,539,689. This compares with \$115,154,100 for September, 1915, or an increase of \$27,385,589.

Railroad materials and equipment valued at 75 million dollars were exported from the United States in the last fiscal year, according to figures compiled by the Bureau of Foreign and Domestic Commerce, Department of Commerce. The exports of this class have more than doubled since 1914.

The annual meeting of the shareholders of the Spanish River Pulp and Paper Mills, Limited, will be held at Toronto Thursday, September 28th, at 12.15. A special meeting has been called for 12 o'clock the same day to confirm a by-law authorizing the company to hold meetings of its board of directors outside the province of Ontario.

## C. P. R. JULY EARNINGS.

Gross earnings of the Canadian Pacific Railway Company during July were \$12,247,440, which was an increase of 55.1 per cent. over the same period in 1915. It must be noted, however, that gross in July, 1915, showed a decrease from the previous year of about 25 per cent. Net earnings showed an increase of 43.4 per cent. this year, the total being \$4,017,091. A year ago last July there was a net loss of approximately 33 per cent. Although the gains this year compare with decreases a year ago, still when one is set against the other a substantial margin is left in favor of this year against 1914. Following are comparisons:—

	July, 1916.	Totals.	Increases.
Gross . . . . .	\$ 7,895,375	\$2,586,569	
Net . . . . .	2,800,403	*978,047	
July, 1915.			
Gross . . . . .	\$12,247,440	\$4,352,064	
Net . . . . .	4,017,091	1,216,688	

(\*)—Decrease.

## NEW GOVERNMENT ARSENAL.

The contract for the new Dominion Arsenal at Lindsay has been awarded to the Westinghouse-Church-Kerr Company, an American Company which has had for some years a large Canadian branch with headquarters in Montreal.

The contract will involve, all told, probably between two and three millions, including both buildings and machinery. The contract was awarded by the Government on the advice of Hon. A. E. Kemp, the Minister who is in charge of the work. Colonel Weatherbe of Halifax has been given supervision of the carrying out of the contract. It is hoped to complete the work early next year, and to have the new Arsenal turning out rifles and ammunition in time for the spring offensive of next year.

## BRAZILIAN'S JULY EARNINGS.

The statement of earnings and operating expenses of the Brazilian Traction, Light and Power Company for July shows a substantial increase. Following are the comparisons:—

	July, 1916.	July, 1915.	Inc.
	Milreis.	Milreis.	Milreis.
Total gross earnings . . .	7,195,000	6,703,000	492,000
Operating expenses . . .	3,145,000	2,803,000	342,000
Net earnings . . . . .	4,050,000	3,900,000	150,000
Agg. gross earn., from			
January 1st. . . . .	47,145,000	44,387,110	2,757,890
Agg. net earn., from			
January 1st. . . . .	26,688,000	25,843,420	844,580

## BIG UNDERWEAR ORDER.

An order for 500,000 shirts for the Italian government was distributed among Canadian knitting mills by the Department of Trade and Commerce last week. It is understood that this is the first of a number of large orders for underwear and blankets that have been received from the French and Italian governments.

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