

the company on its feet by Mr. McLimon ever since he took charge of the property in October, 1917.

It has been decided by the city council to appeal the order of the commission.

Lake Superior Corporation.—A statement of the financial standing of the company's subsidiaries for the year ended June 30th last has just been issued and shows net earnings from operations, excluding the Algoma Central and Hudson Bay Railway, at \$3,722,153, as compared with \$5,441,574 in the previous year. W. H. Cunningham, president, in his report gives the reason for the decline. "Operations of the steel plant for the fiscal year," he says, "continued throughout the first quarter at below 50 per cent. capacity on account of scarcity of new orders, and subsequently until April were seriously curtailed, notwithstanding heavy orders on hand booked in November and December. The winter was unusually severe, and operations were seriously hampered by heavy snowfalls and extremely cold weather. These conditions affected our own transportation facilities, and interfered with shipments by rendering it impossible at times for the railways to supply sufficient cars. Sickness was very prevalent during the winter, at one time 20 per cent. of the operating force being absent from this cause. Not until the last quarter was the plant able to operate approximately to capacity.

Disbursements from the net earnings of the Lake Superior Corporation show some changes from the previous year. The sum of \$1,315,522 was taken for interest on bonds of subsidiary companies, on bank and other advances and rentals, compared with \$1,235,710 in 1919. For general depreciation and losses the sum was \$1,024,964 as against \$1,500,000, while for depletion and depreciation of mining properties and quarries there was allowed \$88,898 as against \$324,463. Last year, however, \$365,000 was reserved against abnormal cost of new plant and equipment, and \$260,000 for depreciation, renewals, etc., of special assets. This year the sum of \$2,592,237 is carried forward by all companies as against \$1,589,388, the dividend to Lake Superior Corporation being, however, only \$180,000 this year, compared with \$1,054,000 last year. The balance sheet of the Lake Superior Corporation shows total assets of \$49,305,224, against \$50,352,101, the reduction being practically accounted for on the one item of investments and securities.

The statement of the Algoma Steel Corporation, the company's principal subsidiary, shows net earnings from operations and other profits of \$3,147,694, and dividends from subsidiaries of \$500,000, or \$3,647,694, against net earnings from operations in the previous year of \$5,035,032. Deductions show little change, except the reserve for general depreciation is \$1,000,000, instead of \$1,500,000 in 1919, while back dividends paid on preference amounted to \$175,000, compared with \$1,050,000 paid in the previous year. The balance carried forward is \$2,793,444 as against \$1,433,875. Dividends are now in arrears from March 31st, 1916, and income and business profits taxes from June 30th, 1917. Current assets for the Algoma Steel Corporation are \$13,484,878, compared with \$13,834,842, while current liabilities are \$4,773,031, against \$2,449,790.

Spanish River Pulp and Paper, Ltd.—Ever since the improvement started in the pulp and paper industry, Spanish River has given principal attention to rounding out all its undertakings and in this way place itself in a position to meet any conditions that might arise. Of equal importance to the shareholders has been the improvement in the financial position. All deferred obligations have been cleared away by the settlement of all arrears of dividends on the preferred stock. At the same time the company has been able to build up a working capital of over \$6,500,000, as represented by current assets of \$10,713,924, as compared with current liabilities of \$4,102,856. At the same time reserves have been built up of over \$3,000,000. These reserves include miscellaneous and contingent reserve \$1,037,261, depreciation reserve \$1,926,813, bond sinking fund reserve \$638,000. The current assets reflect the manner in which the company has been adding to its supplies at the various mills, the principal accounts showing as follows: Pulpwood,

\$3,465,647; woods equipment and stores and mill stores, \$1,973,267; mills products, \$1,029,240; accounts receivable, \$2,953,031; Victory bonds, \$184,150; company's bonds purchased and held, \$577,705; cash in banks and on hand, \$530,881. Current liabilities are made up of loan from banks \$1,000,000,000, accounts and bills payable \$2,835,477, accrued interest on bonds and serial notes \$267,378.

The net profit for the year, before depreciation, but after allowing for the full preferred dividend of \$400,000, was equivalent to 29.9% on the common stock. After allowing both for the preferred dividend had it been paid and full depreciation, the net profits were equivalent to approximately 22½ per cent on the common stock. The net profits for the year of \$2,202,069, added to the balance as at June 30th, 1919, of \$2,368,222, brought the total amount available for distribution up to \$4,570,291. This was appropriated as follows: Accumulated preferred dividends to 30th June, 1920, met by issue of preferred stock, \$2,871,493, bonds, sinking fund, reserve \$638,000, making a total amount of \$3,509,493 and leaving a balance to be carried forward into the new year of \$1,060,798.

AMERICAN MILLERS TOUR CANADIAN WEST

Large Interests in Wheat and Flour Represented in Delegation of Fifty—Some Impressions of Western Growth

(Special to *The Monetary Times*.)

Winnipeg, August 30, 1920.

A TOUR of considerable importance to western Canada has just been completed by a number of influential bankers and grain dealers from the United States. The party comprised official representatives of F. H. Peavey and Co., of Minneapolis, possibly the largest grain operators on the American continent, and who control, along with allied companies, over 500 country elevators in western Canada, as well as two large terminal elevators at the head of the lakes. The party was under the personal guidance of E. W. Kneeland, manager in Winnipeg of the British-American Elevator Co. Those comprising the party were as follows:—

Minneapolis:—F. T. Heffelfinger, president, F. H. Peavey and Co.; F. P. Heffelfinger; T. P. Heffelfinger; E. F. O'Brien; F. B. Wells, vice-president, F. H. Peavey and Co.; A. L. Searle, vice-president, Globe Elevator Co.; C. F. Deaver, treasurer, F. H. Peavey and Co.; H. G. Dickey, vice-president, Monarch Elevator Co.; E. C. Warner, president, Midland Linseed Products Co.; S. T. McKnight, vice-president, First National Bank; C. B. Mills, president, Midland National Bank; J. A. Latta, vice-president, Northwestern National Bank; A. C. Loring, president, Pillsbury Flour Mills Co.; J. F. Bell, vice-president, Washburn-Crosby Co.; R. Webb, president, Minneapolis Trust Co.; Judge W. A. Lancaster, attorney; C. S. Langdon, president, Civic and Commerce Association; H. C. Clarke, president, Shelvin, Carpenter and Clarke Co.; Chas. E. Heffelfinger, real estate.

Duluth:—Wm. G. Hegardt, vice-president, American Exchange National Bank; E. N. Bradley, vice-president, Globe Elevator Co.

St. Paul:—G. H. Prince, chairman of board of directors, Merchants National Bank.

Chicago:—D. R. McLennan, Marsh and McLennan (insurance); Chas. W. Folds, Hathaway, Smith, Folds and Co. (commercial paper brokers).

Omaha:—E. P. Peck, vice-president, Omaha Elevator Co.; L. Drake, president, Merchants National Bank; W. H. Head, president, Omaha National Bank.

New York:—A. L. Andrews, cashier, Chase National Bank; A. R. Jones, assist. vice-president, Guaranty Trust Co.; Alex. V. Ostrom, vice-president, Liberty National Bank; H. Smith, Hathaway, Smith, Folds and Co. (commercial paper brokers).