

PAYMENT DATES OF NOTES

CANADIAN PACIFIC RAILWAY'S RIVALS

First Will Be in February, 1914—Record of Previous Canadian Pacific Rights

There Are Two Now and That Fact is a Rate Factor, Says Counsel

Further information was handed out at the Canadian Pacific Railway offices, Montreal, late in the week, regarding the new trust fund, as follows:—"The trust fund that has been created by the company is to be devoted to the payment of the note certificates and to their redemption at par, at or before maturity, as composed of the deferred payments and the securities in which the proceeds of land sales heretofore made are invested, and does not include any of the unsold lands or other extraneous assets of the company. These remain intact for the future benefit of the shareholders, and the directors are quite satisfied that the special income from these sources will be sufficient for all the purposes of the company.

"It has been decided that the dates of payment will be February 2, 1914, for the first instalment of 32 per cent., and March 2, 1914, for the final instalment of 48 per cent. of the face value of the note certificates will be due and payable."

Of the Arithmetic Value.

Subscription rights to the \$52,000,000 of 6 per cent. special investment fund notes, to be offered at 80 to common stockholders of Canadian Pacific Railway at the ratio of 1 to 5, possess an arithmetic value of 4 on a basis of par for notes 4.40 on a basis of 102, the quotation price on the London Stock Exchange.

The offer to participate in the issue of notes is the tenth offer of this nature to be extended to stockholders since 1902. The last offer occurred in November, 1912, when stockholders were offered the right to subscribe to \$60,000,000 of new common stock, the rights to which were traded in on the Exchange at 20.77. These rights, incidentally, were the most valuable ever recorded to stockholders.

Record of Rights.

The value of preceding rights accorded to stockholders during the last ten years are as follows:—

Year.	Rights.	Dividends %	Rights and dividends.	Yield on average price.
1912	20.77	10.0	30.77	7.84
1912	8.37	10.0	18.37	7.22
1911	8.33	10.0	18.33	7.57
1910	.....	9.5	9.50	4.29
1909	9.56	7.0	16.56	9.36
1908	7.69	7.0	14.69	9.17
1907	.....	7.0	7.00	4.21
1906	11.69	6.0	17.69	9.94
1905	.....	6.0	6.00	3.89
1904	5.62	6.0	11.62	9.45
1903	.....	5.5	5.50	4.33
1902	4.75	5.0	9.74	7.46

MINNEAPOLIS IS BUYING CANADIAN OATS.

Minneapolis chamber of commerce firms have bought this week half a million bushels of Canadian oats that will go to Minneapolis and pay the six per cent. import duty under the new tariff law, thereby recording the largest business of the kind since the first Canadian oats began to go across the boundary after the Underwood bill went into effect. A movement that the Great Northern Soo and Northern Pacific roads have handled, wherein a car or two of Canadian oats appeared on nearly every ingoing train from Canada, has taken about 1,000,000 bushels in Minneapolis so far, but trains arriving over the Soo and Great Northern in the last few days have had ten to twenty cars of Canadian oats. That the total importation by Minneapolis will have reached 2,000,000 bushels before the end of the year, is the prediction made.

Saskatoon Saturday Press recently issued an interesting "Progress and Development Number." Several firms utilized this issue, mailing them to those interested in Saskatoon's growth, among them being the investment house of Messrs. A. H. Hanson & Company, Limited, Saskatoon.

In an address to Calgary business men, Mr. Eugene Coste, president of the Canadian Western Natural Gas, Heat, Light and Power Company, stated that with their present equipment, they could furnish 15,000,000 cubic feet of gas per day, equivalent to 60,000 horsepower, at a cost to manufacturers of \$18 to \$18.50 per horsepower. In addition to this, Calgary has other power plants capable of developing 68,000 horsepower.

Contending that the solitary position of the Canadian Pacific Railway in western Canada is at an end owing to the fact that two rival companies will be in the field next year, Mr. F. H. Chrysler, K.C. and E. W. Beatty, counsel for the Canadian Pacific Railway, continued their arguments at the western freight rates case before the Dominion Railway Commission at Ottawa. "It is impossible to say," said Mr. Chrysler, "what the effect of this will be on the Canadian Pacific Railway earnings. Neither is it possible to say what effect on traffic conditions will be brought about by the opening of the Panama Canal.

Rates are Reasonable.

"The rates charged by the Canadian Pacific Railway in the west are fair and reasonable charges for the service performed for the shippers," he insisted. "There is a large spread in rates that may be regarded as reasonable. The question must be, what might a tribunal find is a proper charge for a carrier to make against a shipper for the services performed, that is, on value of the service? So long as the railway keeps its charges within the realm of reasonableness, the board has no jurisdiction to interfere with such rates except on the one ground of discrimination, and discrimination does not exist under the circumstances of this case.

Movement in Tonnage

"The movement of tonnage in the west itself," he continued, "will be effected by the establishment of the Grand Trunk Pacific and Canadian Northern and their respective branches, which will continue to radiate into the territory now served by the Canadian Pacific Railway. The growth of the country will have to be enormous and rapid, to offset within any reasonable time the disadvantage to the Canadian Pacific Railway by reason of its having to share this class of traffic with the two new lines and their subsidiary companies.

"The board cannot adjust rates because of anticipation and problematical increase in general traffic.

Density of Traffic.

"Some three years ago the Canadian Pacific Railway embarked upon a policy of extension to existing lines and facilities, double-tracking, tunnels, etc., which involved the appropriation of huge sums of money, all of which is to be spent within the next two or three years, amounting to over a hundred million dollars.

"It must not be forgotten that the success of the company and of every other railway company in the west depends upon the natural products of the country, and therefore the hazard of the undertaking is very much greater than in the east or in any country in which there is denser population and consequently much more diversity of traffic," declared Mr. Chrysler.

LIFE

An unusually attractive Christmas issue of Life, the agents' monthly of the Canada Life Assurance Company, has just been published. It contains much information which will prove of value to the agents, and it has a little Christmas spice. The Canada Life's bulletin is always interesting, due largely to the supervision of Mr. J. K. McMaster.

SARNIA IS A PORT OF PROMISE

The steamer "Noronic," of the Northern Navigation Company, has laid up at Sarnia to have the final interior fitting completed. This will employ some 200 hands. A number of large freighters are laying up and the numbers will steadily increase. This is one of the few ports where boats can be moved from one berth to another during the winter months at little cost, and is proving a favorite with steamship companies. There is a government wireless station located there, and it is also the home of the Reid Wrecking Company.

Sarnia is developing as a manufacturing centre, possessing the large plant of the Imperial Oil Company, Limited, employing 1,200 men, large lumber mills, two stove foundries, a branch plant of the Mueller Brass Company, of Decatur, Ill., the Goodison Thresher Company, and many other industries, while it is a terminus of the Grand Trunk Railway and the home of the Northern Navigation Company, with its splendid fleet.