

# The Commercial

A Journal of Commerce, Industry and Finance, specially devoted to the interests of Western Canada, including that portion of Ontario west of Lake Superior, the Provinces of Manitoba and British Columbia and the Territories.

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*The Commercial certainly enjoys a very much larger circulation among the business community of the country between Lake Superior and the Pacific Coast, than any other paper in Canada, daily or weekly. By a thorough system of personal solicitation, carried out annually, this journal has been placed upon the desk of the great majority of business men in the vast district designated above, and including northwestern Ontario, the provinces of Manitoba and British Columbia, and the territories of Assiniboia, Alberta and Saskatchewan. The Commercial also reaches the leading wholesale, commission, manufacturing and financial houses of Eastern Canada.*

WINNIPEG, MAY 23, 1892

## FOUND—AN HONEST MAN.

It is occasionally the painful duty of THE COMMERCIAL to expose dishonesty in commercial circles. Most foully dishonest failures have been by no means uncommon in Manitoba, and when acquainted with the facts, this journal has not been backward in exposing them. THE COMMERCIAL has just been furnished some particulars of a case which thoroughly merits exposure. It is, however, one which it is a pleasure, rather than a painful duty, to expose. Many of our readers are acquainted with E. H. Taaffe, who some time ago carried on a retail clothing store in Winnipeg. Business was not proving very profitable for him here, during his last years in the city, and he decided to move to Lethbridge, where he expected to do better. But the reverse was the case, and after a few months spent in endeavoring to work up a trade in the western coal town, he decided to consult his creditors, with a view of disposing of the stock. It was found impossible to sell the stock in Lethbridge, and it was finally shipped back to Winnipeg. The estate was placed in the hands of R. T. Riley, Manager at Winnipeg of the W. E. Sanford Manufacturing Company, with the consent of Mr. Taaffe and the remaining creditors, Mr. Taaffe taking a position as western travelling salesman for Glover & Brais, of Montreal. The stock has since been disposed of at 67c on the dollar, which paid 85 per cent dividend to the creditors.

Now for an important point in connection

with the winding up of the business. About the time that the estate was closed up, and the dividend of 85 per cent. declared, Mr. Taaffe forwarded his cheque for the remaining 15 per cent., thus paying off his creditors in full. This was not done through any compulsion, or even solicitation. The creditors were thoroughly satisfied with Mr. Taaffe's conduct, and had agreed to give him a discharge at the time the stock was taken over by the creditors. Practically, therefore, the payment of the balance was made after the discharge had been given. This is a most honorable act on the part of the debtor. In these days of loose commercial morality, it is refreshing to come across an instance of this kind. Mr. Taaffe did no more than was right, and what any honest man should do. He simply paid 100 cents on the dollar, though he had to pay it out of his salary, and after he had been released from the liability by his creditors. Very few men would have done this thing. All the same, every man should strive to pay his debts in full. The granting of a discharge by the creditors, does not give a man exemption from the moral obligation to pay his debts, if he is ever in a position to do so. Mr. Taaffe has no doubt been obliged to scrimp himself in order to pay off his liabilities. Many men fail in business, and afterwards live in fine houses, drive in their carriages, and make quite a spread generally. They persuade themselves into believing that as they have turned over their estate (or a portion of it) to their creditors, they are legally and morally released from all further obligation in the matter. The honesty of such people does not extend clean down to their toe-nails. It is of a very superficial nature. Release or no release, no debt is honestly discharged until 100 cents on the dollar has been paid. All credit to Mr. Taaffe in this matter. Let him hereafter be known as the man who paid 100 cents on the dollar.

Another point may be made from the winding up of this estate. Mr. Taaffe had his business well in hand. He had but four creditors at the closing up of his business, the largest of which was the W. E. Sanford Co. The expense of winding up the business amounted to less than \$30, including \$20 commission for making the sale of the stock. Had there been a large number of creditors, it is not probable that it could have been arranged to close out the business in this way, and undoubtedly the expense would have been much greater.

## The Canadian Pacific Railway.

The eleventh annual report of the Canadian Pacific Railway Company was submitted at the recent annual meeting of the shareholders, held at Montreal on May 11. It was as follows:

The gross earnings for the year were \$2,241,095.98. The working expenses were \$12,231,426.11 and the net earnings were \$8,009,659.87. Deducting the fixed charges accruing during the year \$4,684,403.45, the surplus was \$3,345,166.42. From this two supplementary dividends of one per cent each were made and paid August 17th, 1891, and February 17th, 1892, \$1,300,000, leaving a surplus carried forward of \$2,045,166.42; surplus of previous years, \$2,656,422.82; total surplus carried forward \$4,701,699.25. The working expense for the year amounted to 60.43 p.c. of the gross earnings and net earnings to 30.57 p.c. as compared with 61.34 and 38.06 per cent respectively in 1890.

The earnings per passenger per mile were 1.70 cents, and per ton of freight per mile 0.91 cents respectively in 1890. The earnings and working expenses of the Southeastern railway which is worked by the company for the account of the trustees, are not included, nor are the earnings and working expenses of the Qu'Appelle, Long Lake and Saskatchewan and Calgary and Edmonton Railway included.

The last harvest in Ontario and Manitoba was an abundant one, but in Manitoba it was followed by a long period of wet weather, which impaired the quality of much of the grain and delayed its marketing. A large amount of grain yet remains in the hands of the farmers in Manitoba as well as in Ontario, and the outlook for traffic for the present year is unusually good.

### THE CHINA JAPAN STEAMSHIP LINE.

The company's steamship line to China and Japan was not fully established until after midsummer; but although worked at a disadvantage until the last steamer was in service, the results have been as satisfactory as could be well expected, the steamships having cleared their working expenses and the interest on their cost, without taking into account the value of the business contributed to the railway itself. The earnings and expenses of the steamships are not included in the statement of the earnings and working expenses of the railway as shown in this report.

### THE "SOO" LINE.

The result of the working of the Minneapolis, St. Paul & Sault Ste Marie and the Duluth, South Shore & Atlantic railways for the past year confirms the belief of your directors that these two most important feeders will not only be no burden upon your company, but will aside from the business contributed to your shareholders with earnings of the first named line for the past year, have increased 29.4 per cent over 1890. The earnings of the last named line, which have hitherto been largely obtained from the export of iron ore, suffered severely from the prostration which prevailed throughout the year in the iron trade, but the loss was made good by the increase in general traffic, and this, together with the revival in their own trade gives promise of largely increased earnings and profits for the present year.

### TELEGRAPHS, EXPRESS, ETC.

The company's telegraphs, express, sleeping cars, grain elevators and lake steamers have continued to swell its profits. These important adjuncts of the company's service are constantly increasing in importance and efficiency, and they all stand high in the estimation of the public; indeed it is a matter of great pride to your directors that every branch of the company's service has the hearty approval of the public from one end of the country to the other.

### IMPROVEMENTS.

The property of the company has been maintained in excellent condition. During the past year large additions were made to the station and terminal facilities, the repair shops and rolling stock, and the permanent way was generally improved by the substitution, on 218 miles of principal lines, of steel rails weighing seventy two pounds to the yard, in place of the fifty six and sixty pound rails ordinarily used (the lighter rails taken up having been utilized in branch lines and additional sidings,) by the further reduction of gradients and the straightening of the line, and in many other ways. Two hundred and twenty four timber bridges of various kinds were replaced by masonry and steel structures, or solid embankments, and the replacement in permanent work of ninety-four other timber bridges was well advanced. At the past rate of progress in this work, practically all of the timber structures in the company's principal lines will be permanently placed within two or three years. As nearly as can be ascertained the improvements made during the last five years in roadway and bridges have

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