

From the Capital

PARLIAMENTARY DOINGS AND DISCUSSIONS.

Railway Finances under Review—Actual and Possible Output of the Mint—Welland vs. Georgian Bay Canal—Recent Departmental Reports.

Canadian Pacific and Grand Trunk financial arrangements are both coming in for considerable attention in Parliament this session. An effective reply was made by Hon. Mr. Aylesworth to an attack upon the proposed increase of the C.P.R.'s common stock from \$150,000,000 to \$200,000,000. The Minister of Justice made clear that the company was not doing anything illegal or immoral in the disposition it proposed to make of the additional number of shares by distributing those shares among their stockholders at a figure less than the market price, but not below par. In the opinion of Mr. Aylesworth, if the company had decided to declare a special dividend there would have been no suggestion that the course adopted was immoral or illegitimate, and he could see no difference between the course the company proposed to take and declaring a special dividend. If the C.P.R. was living up to its contract with the public he could not see how any man in Canada had a right to complain of the course of action taken by the company in its financial affairs.

Important among the private bills considered in committee this session is the measure providing for the issue of two classes of securities by the Grand Trunk and authorizing the company to raise additional capital to the amount of \$25,000,000 (£5,000,000). One clause gives power to the company to issue 4 per cent. perpetual consolidated debenture stock the aggregate amount of interest on which must not exceed one hundred thousand pounds sterling. If the maximum rate of interest is paid, this means an issue of £2,500,000. Another clause permits the company to issue additional four per cent. guarantee stock provided that the total amount of guaranteed stock does not exceed £12,500,000 which allows for a further increase of £2,500,000. The measure at first contained no explanation as to how the additional capital was to be utilized, and a clause was therefore inserted in committee to the effect that the money must be expended in general betterments.

Coinage and Savings.

The amount of silver coined at the Ottawa Mint during 1908 was \$313,338. The capacity of the machinery is 20,000,000 coins a year. There is an item in this year's estimates for the deportation of American silver now being circulated in the Dominion which in amount is estimated at \$2,000,000 or over. The manufacture in Canada of a substitute quantity of Canadian coin, it is estimated by one of the Mint authorities, should give the country a profit of well on to \$1,000,000.

The Minister of Finance has announced that the Government contemplates the adoption of a system by which depositors in the Post Office savings banks may purchase with their deposits bonds or stock bearing 3½ or 4 per cent. interest. The statement was made in reply to a question as to whether the Government intended to increase the interest on the money deposited in Government savings banks until the said interest shall be equal

to that paid by the Government to others. Mr. Fielding said he intended to go into the question of savings bank deposits in his budget speech. It was not the intention to increase the rates, the arrangement as to bond purchases being deemed preferable.

For an Enlarged Welland Canal.

One of the most important features of the recently issued annual report of the Department of Railways and Canals is Deputy Minister Butler's urging of the proposed enlarging of the Welland Canal to 22 feet depth on lock sills and 25 feet in the reaches. He states that the larger class of vessels of from 500 to 600 feet in length, using the Sault canals, should be provided for on an enlarged Welland. The depth of water should be 25 feet in the reaches, and not less than 22 feet on the lock gate sills. Further, the canal prism should be widened. Referring to the Georgian Bay Canal scheme, Mr. Butler emphasizes that its economic and commercial aspects should be carefully looked into before it is undertaken. Under the most favourable conditions many years would be required to complete it. In an enlarged Welland Canal the existing canal would itself facilitate construction, resulting in its early completion, while the cost would be but a fraction of that entailed by the larger scheme. The increase in the Panama Canal's estimated cost to \$360,000,000 illustrates how early calculations often fail.

Railway and Shipping Statistics.

The report shows that the gross earnings of the Government railroads for the year were \$9,534,569, the working expenses being \$9,595,295, showing a loss of \$60,726. The Intercolonial Railway's working expenses were \$9,157,435, the earnings being \$9,173,558, a profit of \$16,123. The excess of working expenses over earnings of the Prince Edward Island Railway was \$95,367.

Railway subsidies of \$2,037,629 were paid during the fiscal year. The expenditures made by or through the department aggregated as follows:

Total railway expenditure, \$35,495,106 of which \$23,684,000 was charged to capital, \$2,215,895 to income and \$9,595,295 to revenue. Capital expenditure included \$18,910,449 for the National Transcontinental.

The I.C.R. expenditure was \$13,577,491, made up of \$4,382,494 on capital and \$9,157,435 on revenue; expenditure on the Prince Edward Island Railway was \$790,409.

The annual report of the Marine Department for the last fiscal year, shows that the total number of new vessels built and registered in the Dominion during the year was 392, measuring 38,410 tons register, with a total estimated value of \$1,728,450. The total number of vessels on the register books of the Dominion at the beginning of last year was 7,528, measuring 698,688 tons. The number of steamers was 3,007, with a gross tonnage of 471,795 tons. In respect to total registered tonnage Canada ranks tenth among the maritime countries of the world.

AN ISSUE OF \$1,500,000 25-years 5 per cent. gold bonds by the British Canadian Asbestos Company in London is announced.