

C.P.R. Equipment Trust Certificates.

The following prospectus has been issued of the \$12,000,000 C.P.R. equipment trust 6% gold certificates, referred to in Canadian Railway and Marine World for April, which will be issued under Philadelphia plan, in denominations of \$1,000, to mature \$500,000 semi-annually Oct. 1, 1920 to April 1, 1932. Dividend warrants will be payable semi-annually April 1 and Oct. 1. Principal and dividends will be payable at New York, N.Y., and Pittsburg, Pa., in U.S. gold coin. The certificates will be specially secured by standard new railway equipment costing \$15,000,000 delivered. The title to this equipment is to be vested in the Union Trust Co. of Pittsburg, as trustee, and it will be leased to the railway company. Pending receipt of the equipment, which is to be delivered in Canada, the trustee will hold for the benefit of the certificate owners \$15,000,000 in cash at the Bank of Montreal, subject to the trustee's order.

The C.P.R. Co. controls a transcontinental railway system of about 18,500 miles extending from St. John, N.B., to Vancouver, B.C., penetrating the U.S. as far as Chicago and St. Paul, and connecting by its own steamship lines with European and Asiatic ports. Of the 8,300 miles of road directly owned, only about 180 miles, branch lines, are mortgaged. The C.P.R. has been able to maintain its earnings on a very substantial basis, in spite of increased operating costs, as evidenced by the following income accounts reported by the company:

Years ended Dec. 31:	1917	1918	1919
Gross earnings	\$152,889,335	\$157,537,698	\$176,929,060
Operating expenses	105,843,317	123,085,310	143,996,024
Net earnings	46,546,018	34,502,388	32,933,036
Other income	8,744,617	7,934,775	9,049,343
Total income	55,290,635	42,437,163	41,982,379
Fixed charges	10,229,143	10,177,513	10,161,510
Balance after charges	\$45,061,492	\$32,259,650	\$31,820,869
Times charges earned	5.40	4.17	4.13

The dividends on the \$12,000,000 6% equipment trust certificates will be \$705,000 in the first year. Had fixed charges in 1919 been increased by this amount, total charges would have been earned about 3.85 times, without allowing for any benefit from the proceeds of this issue. Dividends have been paid on the company's ordinary stock since 1883 and since 1910 the rate has been 10% a year. The equity junior to funded debt and equipment issues is represented by over \$80,000,000 of 4% preference stock and by ordinary stock having at present quoted prices an indicated market value of \$320,000,000.

The prices for the certificates range from 99% for those due Oct. 1, 1920, to 94% for those due April 1, 1932. The first 12 maturities yield approximately 6% and the last 12 maturities approximately 6%.

Grand Trunk Railway Acquisition Legislation.

A bill was introduced in the House of Commons, April 12, by the Minister of Railways, to confirm the agreement dated March 8, 1920, between the Crown and the Grand Trunk Railway Co., for the acquisition by the Crown of the company's capital stock, with the exception of the four per cent. guaranteed stock, and was read a first time.

The bill contained two sections and a schedule, the latter being the agreement dated March 8, 1920, executed under the powers of the Grand Trunk Railway Acquisition Act, 1919. The first section of the bill provided for the correction of the agreement in two particulars, viz.:—"By adding thereto, under the caption, "Companies directly controlled by the Grand Trunk Railway of Canada," the following:—Vermont and Province Railroad Co., controlled by stock owners' corp., 100 per cent.; Pembroke Southern Ry. Co., controlled by stock owners' corp., majority, and by striking out of the first schedule of the agreement under the caption "Companies controlled by the Grand Trunk Ry. Co., of Canada by lease," the words, "Pembroke Southern Ry. Co.,"

The second section of the bill was as follows:—"The said agreement, as corrected as aforesaid, is hereby declared to have been sufficiently ratified by the holders of stocks of the G. T. Ry. Co. as required by Sec. 7 of the said act, and to be binding and effective, and is hereby in all respects ratified and confirmed as the agreement authorized by the said act and for all the purposes thereof."

The bill was passed through its various stages up to the third reading without amendment, when on the motion to read it the third time, April 22, unanimous consent was given to the insertion of the following as section 3:—"Nothing herein contained shall be construed as authorizing any lending of money by the government to the managing committee, mentioned in the fourth section of the said agreement, without the specific authority of parliament."

1917	1918	1919
\$152,889,335	\$157,537,698	\$176,929,060
105,843,317	123,085,310	143,996,024
46,546,018	34,502,388	32,933,036
8,744,617	7,934,775	9,049,343
55,290,635	42,437,163	41,982,379
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\$45,061,492	\$32,259,650	\$31,820,869
5.40	4.17	4.13

Hon Mackenzie King, moved to return the bill to committee of the whole for the consideration and insertion of the following words:—"Any right or interest of any employee of the G. T. Ry. Co. existing in the pension system, prior to the strike of the company's employees which occurred in July, 1910, is hereby declared not to have been affected by the said strike or any circumstance or condition arising out of or in connection therewith."

This motion was defeated by 90 to 69, and the bill was then passed and sent to the Senate.

Standard Conditions for Wire Crossings Over Railways.

The Board of Railway Commissioners passed general order 291, April 7, as follows:—Re sec. 372 of the Railway Act, 1919, for carrying of wires and cables along or across railway tracks; and application of Canadian National Rys. for an order amending the Standard Conditions and Specifications for Wire Crossings, approved by general order 231, May 6, 1918, as amended by general order 267, June 27, 1919. Upon reading what is filed in support of the application, the Canadian Pacific and Grand Trunk Railways concurring therein. It is ordered that the said standard conditions and specifications, as approved by general order 231, be amended.

(1) By striking out paragraph 4 of part 1, and substituting therefor the following, viz.:—"4. The applicant, before any work is begun, shall give the railway at least 72 hours prior notice thereof in writing, and the said railway company shall be entitled to appoint an inspector, under whose supervision such work shall be done, and whose wages, at a rate not to exceed \$11 a day, shall be paid by the applicant, such payment to cover both wages and expenses. When the applicant is a municipality and the work is on a highway under its jurisdiction, the wages of the inspector shall be paid by the railway company."

(2) By striking out paragraph 4 of part 2 and substituting therefor the following, viz.: "4. Before any work of laying, removing, or repairing any pipe, conduit, wire, or cable is begun, the applicant shall give to the railway company at least 72 hours prior notice thereof in writing, accompanied by a plan and profile of the part of the railway to be affected, showing the proposed location of such pipe, wire or cable, conduit, and works contemplated in connection therewith; and the said railway company shall be entitled to appoint an inspector to see that the applicant, in performing said work, complies in all respects with the terms and conditions of this order, and whose wages, at a rate not exceeding \$11 a day, shall be paid by the applicant, such payment to cover both wages and expenses. When the applicant is a municipality, and the crossing is on a highway under its jurisdiction, the wages of the inspector shall be paid by the railway company."

And it is further ordered that general order 267, June 27, 1919, and general order 288, Mar. 23, 1920, made herein, be rescinded.

Telegraph, Telephone and Cable Matters.

The Oldtime Telegraphers and Historical Association will hold its 1920 meeting at Toronto, Sept. 1 and 2. G. D. Perry, General Manager, Great North Western Telegraph Co., is President.

The Pacific Cable Board announces the following staff changes: W. E. Lawson, from Bamfield, B.C., to Sydney, Australia; T. Aikins and J. Ritz, from Suva to Halifax, N.S., and F. C. Wilkins, from Montreal to Halifax, N.S.

The Great North Western Telegraph Co. has opened offices at L'Anse a Louise, Little Metis lighthouse, Que., Bankfield, Missongia and Penhurst, Ont., Runnymede, Sask., and Redland, Alta., and has closed its office at Shippegan, N.B., Riviere Ouelle Wharf, Que., and Larson and Minataree, Ont.

The daily press made the statement recently that, "all telegraphs in Canada except the C. P. R. are shortly coming under the Government's Great North Western system," which is not quite correct. The Great North Western Telegraph Co., came under Dominion Government control, through the taking over of the Canadian Northern Ry. by the Canadian National Ry. Co. The G. N. W. T. Co., in conjunction with the C. N. R., has about completed the erection of copper wires between Toronto and Montreal in the east, and Winnipeg in the west. The erection of wires has also been about completed between Edmonton, Alta., and Vancouver, B.C., and between Kamloops and Victoria, B.C. The company already has wire facilities be-