

Corporation Finance

Judgment Reserved in Edmonton, Dunvegan and British Columbia Railway's Application For Increased Rates—Winnipeg Electric Railway Wins Fare Case—Shareholders of Nova Scotia Steel Ratify Agreement to Enter Merger—C.P.R. Net Earnings Improve in May

Abitibi Power and Paper Co.—Directors have declared a dividend of \$1.50 per share on common stock, payable July 15th to shareholders of record July 5th.

Canada Steamship Lines, Ltd.—Without a dissenting voice, shareholders at a meeting in Montreal on June 26th ratified an agreement made by the directors for the purchase of the Montreal Transportation Co.

The Montreal Transportation Co. has an authorized capitalization of \$4,000,000, of which \$3,000,000 is outstanding. Payment for the issued shares will be made in four instalments, \$1,000,000 in cash immediately and the balance in notes, \$1,000,000 falling due in December next, \$500,000 in April, 1921, and \$500,000 in July of next year. Canada Steamship Lines several months ago disposed of its ships in the West Indian trade on exceptionally advantageous terms, and it is from the proceeds of this sale that the \$3,000,000 involved in the acquisition of the Montreal Transportation Co. will be paid. The Montreal Transportation Co. is one of the oldest-established shipping concerns in the Dominion, operating a large number of modern steel cargo steamers, tugs and barges, in addition to a large grain elevator at Kingston, Ont. Holders of this company's stock are asked to deposit their securities with the Prudential Trust Co., which will issue negotiable certificates to the extent of their holdings until the stock is fully paid for through the retirement of the notes already referred to in July of next year.

Quebec Public Service Corporation.—A dividend of 1½ per cent. for the quarter, payable July 15th to holders of June 30th, has been declared. The Shawinigan Water and Power Co. owns 51 per cent., or a controlling interest, in the corporation. The corporation takes a considerable quantity of power from the Shawinigan development, and in addition has a steam plant of its own in Quebec.

Imperial Oil, Ltd.—Reports from New York indicate that net earnings, before taxes, for 1919, were approximately \$8,530,000, of which the Standard Oil Co., of New Jersey, the parent organization, was credited with \$6,824,158, representing its ownership of 80 per cent. of the Imperial stock. In 1918 the parent company was credited with \$5,554,844 after taxes.

Canadian Connecticut Cotton Mills, Ltd.—From September 10th, 1919, to May 10th, 1920, sales of the company approximated \$4,300,000 and profits \$900,000, compared with sales of \$2,250,000 and profits of \$450,000 for the corresponding period previously. A special dividend of ½ of 1 per cent. on the outstanding \$3,000,000 8 per cent. participating preferred shares has been declared, payable August 2nd next to holders of record July 15th. Work on the extension of the company's mills at Sherbrooke, Que., for which the issue of preferred stock was made early this year, is progressing satisfactorily.

Dominion Steel Corporation.—At the adjournment of the meeting of the board of directors of the corporation, which was held in Montreal on June 29th, it was announced that the special general meeting of the shareholders of the enterprise will be held at Halifax, N.S., on July 15th next in the board of trade rooms of that city.

It was further stated that the directors, after a two days' study of the report of the special committee named to go comprehensively into the details of the terms upon which the smaller constituent companies are to be taken into the British Empire Steel consolidation, had reached a unanimous decision to recommend the proposals to the Steel Corporation shareholders. Special circulars will be sent out to holders of the company's stock.

Canadian Pacific Railway Co.—Net earnings for May were \$3,197,942, an increase of \$164,181, as compared with

the same month in 1919. Gross receipts amounted to \$16,459,986, a gain of \$2,890,574, as compared with last year. The May gross was the best reported by the company since last December.

Working expenses, on the other hand, however, continued to mount in the period, higher wages and other operating expenses reducing the gross receipts by \$2,726,392, or by nearly 29 per cent., and standing in ratio to the latter at 80.5 per cent. in the month, as compared with 77.6 per cent. in 1919.

For the five months of this year receipts grew \$12,432,018. This good showing was offset, however, by a larger increase of \$12,830,706 in working costs. The ratio of expenses to gross earnings, during the period were 88.3 per cent., as against 85.4 per cent. in 1919.

Whalen Pulp and Paper Mills, Ltd.—Preliminary figures of operations for the year ended February 29th, 1920, indicate an improved position in the finances of the company. Total pulp production is placed at about 48,000 tons, a large part of which was marketed in the Orient. Gross profits for the year's operations amount to \$1,050,000, compared with the \$900,000 estimated at the time of public issue of the company's 6 per cent. first mortgage bonds last July. Deducting administration and general expenses of \$173,000, the amount available for interest, taxes and depreciation was about \$877,000, compared with \$497,000 for the year ending February 28th, 1919. After deduction of bank interest, the amount available for bonds and debentures was about two and one-half times their interest charges. Surplus for the year totalled \$323,000, adding to this the amount of \$32,000 brought forward at the end of the previous fiscal year, balance to the credit of profit and loss stands at about \$355,000. In the matter of working capital, net current assets have increased by \$1,600,000. Construction work to the extent of about \$700,000 was completed at the company's various plants.

Niagara Falls Power Co.—Total operating revenue for the year ended December 31st, 1919, amounted to \$5,098,100, as compared with \$5,016,366 in 1918, an increase of \$81,734. Net income for the year totalled \$3,445,286, against \$3,240,875 in 1918, an increase of \$204,410. After subtracting interest on funded debt and other miscellaneous deductions, the surplus stood at \$2,084,055, an advance of \$182,372 over the previous year.

The balance sheet shows a reduction in investments of \$2,838,529, but real estate, power-houses, transmission systems, etc., increased in value by \$5,239,193, now amounting to \$53,470,089. Current assets increased \$32,996 to \$5,760,459, while current liabilities advanced \$1,991,050 to \$3,427,049, leaving a working capital of \$2,333,410. Total assets of the company at the end of the year were \$60,636,874, an increase of \$2,433,659, while total liabilities were \$57,695,459, an increase of \$1,441,032. Reserves were increased \$277,545 to \$2,252,850.

Marconi Wireless Telegraph Co. of Canada.—At the annual meeting of the company in Montreal on June 21, the statement presented revealed profits for the year ended December 31, 1919, of \$170,562, against \$138,648 in the previous year. After the usual deductions, net profits before government taxes were \$102,131, compared with \$95,563 in 1918. The total surplus, after the balance for the previous year was added, was \$395,918, as compared with \$293,787.

Total assets at the end of the year amounted to \$3,817,621, as compared with \$6,024,337 at the end of 1918, reflecting the reduction in the par value and readjustment of the company's capitalization at the previous annual meeting, when shareholders voted that the par value of outstanding