

in 1902, amending the act so as to give the Co. exemption, but the municipality claims the amount of the tax levied under the assessment of 1901. A case will be submitted to the Supreme Court to settle the matter.

Toronto, Hamilton and Buffalo Ry.—Earnings for Aug., \$35,216.77 against \$43,651.30 for Aug., 1901, making for the three months ended Aug. 31, \$104,301.70, against \$115,333.18 for the same period 1901.

Toronto Railway Co.—Car earnings compared with previous year:—

1902.	Increase or Decrease
January	\$137,135.21
February	127,981.01
March	141,681.22
April	132,946.56
May	145,595.54
June	132,265.85
July	162,472.12
August	165,164.57
	\$1,145,242.08
	\$97,339.99+

A dividend at the rate of 1 1/4% has been declared for the quarter ended Sept. 13.

It is stated that a proposition to issue \$1,000,000 of new stock for the purchase of suburban lines, will be submitted to a special meeting of shareholders to be held on an early date.

White Pass and Yukon Ry.—Gross earnings from July 1 to Aug. 14, \$349,511.

Minneapolis, St. Paul and Sault Ste. Marie Ry.—The report presented at the annual meeting at Minneapolis, Sept. 16, is given on page 335, the officers for the current year are: President T. Lowry; Vice-President, J. Martin; 2nd Vice-President and General Manager, E. Pennington; other directors: Sir Wm. Van Horne, Sir Thos. Shaughnessy, W. D. Washburn, C. H. Pettit, G. R. Newell, R. B. Angus, W. H. Bradley, E. A. Young and Secretary and Treasurer, C. F. Clements; auditor, C. W. Gardner.

Consolidated Lake Superior Co.

The fourth annual report of this Co., which controls the various Clergue industries at Sault Ste. Marie, has been issued for the year ended June 30, 1902. During the year the Co. acquired all the interests of the Ontario Lake Superior Co., which brought under one management all the industrial interests centering at Sault Ste. Marie, on both sides of the river, and brought under the control of the C.L.S. Co. extensive land grants from the Province of Ontario, "the development of which constitutes the chief purpose of the various operations conducted by the Co."

In regard to the Co.'s transportation interests, the report says:—"The railway and steamship operations, which are such indispensable agencies in the development of your property, have proved, moreover, to be among the most profitable undertakings, and with the growth of the various enterprises now developing, the earnings of your transportation system are sure to increase. The Algoma Central & Hudson's Bay Ry. Co. is under construction from Sault Ste. Marie, Ont., northward to the Michipicoten iron ore region. From Sault Ste. Marie 47 miles of track have been laid and are open for traffic, as well as 32 miles of sidings on this division. The intervening section of 123 miles, from the end of rail to Josephine Jct., has been graded for the most part, and all of this grading will be completed by Nov. 15. On the Michipicoten Division, in addition to the 11 miles from Michipicoten harbor to the Helen mine, the line has been carried forward 10 miles to the Josephine mine, and both of these iron ore properties now have an outlet by rail to the lake, and thence by water to all the iron ore receiving ports on the Great Lakes. The heavy iron ore traffic over the short distance from the Helen mine to Michipicoten harbor

has enabled this division to operate with large profit, and the addition of the shipments from the Josephine mine during next season will increase the earnings of this short line. The section in operation northward from Sault Ste. Marie has carried a heavy and profitable traffic in logs, lumber, pulp wood, hard wood for charcoal, and general freight and passengers. The objective point of the main line is, of course, the Michipicoten iron ore region, to afford an outlet by rail throughout the year for the output of the Helen and Josephine mines to the blast furnaces of your Co., and for the other ore properties which await development upon the establishment of rail connections. All the way from Sault Ste. Marie to Michipicoten region the railway line traverses virgin territory, rich in timber and mineral wealth, and acquired for the most part for 11 miles on either side of the railway by your Co. Upon the opening of the through line heavy traffic will become immediately available by the development of these resources. Owing to the rugged topography of the country the construction of this line has been slow and difficult, but the work has been made to conform throughout to the highest standards. With such a roadbed, with the highest types of locomotives and modern cars of great carrying capacity, this railway will be able to handle heavy traffic at minimum cost, both for operation and maintenance. The equipment of the A.C. & H.B. Ry. is as follows:—Flat cars, 324; gondola cars, 25; box cars, 27; steel ore cars, 200; dump cars, 116; boarding cars, 14; tool cars, 2; snow plows, 3; flangers, 2; steam shovels, 4; cabooses, 12; passenger cars, 10; locomotives, 14.

"For the carriage of the output of the iron ore mines, and the various products originating upon the line of the A.C. & H.B. Ry., as well as the coal required for the operation of the different works, a fleet of steamships is operated upon the lakes in conjunction with the railway lines. A thoroughly equipped iron ore pier at Michipicoten harbor permits the economical loading of iron ore steamers without delay, and a series of docks at Sault Ste. Marie provides terminal facilities at that point for handling ore, coal, coke and miscellaneous freight. During the past year these facilities have been increased by the construction of several new docks on both sides of the river. The Co.'s fleet of ore vessels owned or chartered embraces the following steamers:—*Luzon, 5,000 tons; *Panay, 5,500 tons; *Rappanhannock, 3,400 tons; *Sacramento, 3,400 tons; Leafeld, 2,300 tons; Monkshaven, 2,200 tons; Paliki, 2,350 tons; Theano, 2,300 tons; and the following barges:—Agawa, 6,000 tons; *Matanzas, 4,250 tons; *Pretoria, 4,700 tons; H. A. Barr, 2,000 tons; Barlum, 2,400 tons; total tonnage, 45,800 tons. Those prefixed with an asterisk are chartered. Of the passenger steamers owned by the Co., the Minnie M. does a profitable passenger and general freight business between Sault Ste. Marie and Michipicoten, and the steamers Ossifrage and King Edward maintain regular service between Sault Ste. Marie and Toledo, Ohio, touching at Georgian Bay ports, carrying both freight and passengers. The tug Philadelphia and several lighters complete the Co.'s vessel equipment."

The C.L.S. Co. also owns the capital stock of the International Transit Co., which has an exclusive franchise for street railway lines in Sault Ste. Marie, Ont., and the Trans-St. Mary's Traction Co. which is constructing street railway lines in Sault Ste. Marie, Mich. Of these companies the report says:—"The construction of street railway lines on both sides of the St. Mary's river under franchises owned by your Co. was commenced during the past summer, and both railways are now approaching completion and will be in operation before the close of the year. In connection

with these railway lines, ferry boats will be run on the St. Mary's river, thus making a complete system of transportation between and throughout the two cities. The shape of the two cities and the tendencies of their growth form peculiarly favorable conditions for the profitable operation of street railway lines, and these railways, in conjunction with the ferry, are sure to contribute substantially to the earnings of your Co. The money for the construction of these railways has been provided from independent sources upon a basis which gives to your Co. the ownership of their stock."

The report refers to the starting of the Bessemer steel works and rail mills of the Co.'s subsidiary, the Algoma Steel Co., early in July, 1902. The steel thus far produced there has been made from purchased pig iron, as the blast furnaces have not been completed. On their completion the report says, "it is believed that these works will be in a position to compete successfully with the best equipped mills in the manufacture of steel rails. Renewals on the 18,000 miles of railway now existing in Canada and the requirements of the new construction, which is bound to increase largely under the progressive policy of the Dominion and Provincial governments, will furnish a sure market in Canada for steel rails far in excess of the capacity of this first mill, as indicated by the orders which your Co. already has booked."

During the year the shipments of iron ore from the Helen mine were 314,750 tons, against 91,436 in the preceding year.

The report does not make any reference to the Manitoulin and North Shore Ry.

GENERAL INCOME ACCOUNT, YEAR ENDED JUNE 30, 1902.

Net income from operation—	
A.C. and H.B. Ry. Co.	\$ 382,084 34
Algoma Commercial Co.	301,986 55
Lake Superior Power Co.	619,104 93
Sault Ste. Marie Pulp and Paper Co.	77,548 93
Tagona Water and Light Co.	47,411 50
	\$1,428,136 25
Deduct C.L.S. Co. preferred stock dividends paid during year	\$1,115,403 57
General expenses	20,103 88
	\$1,135,507 45
Surplus	\$ 292,628 80
Add cash subsidy A.C. and H.B. Ry.	380,424 00
	\$ 673,052 80
Add profit and loss subsidiary companies, June 30, 1901	\$ 414,877 68
Profit and loss, C.L.S. Co., June 30, 1901	8,877 72
	\$ 423,755 40
Total credit to profit and loss, June 30, 1902	\$1,096,808 20

In addition to the \$70,151,800 of common stock outstanding, \$11,842,200 is to be issued to acquire the Algoma Steel Co. The preferred stock issued is \$23,547,250. In addition to this \$2,213,650 has been received on instalments of preferred stock, and \$9,239,100 is stated to be the balance to be received from purchasers of preferred stock in instalments for completing construction and providing working capital. This will bring the common stock up to \$82,000,000, and the preferred to \$35,000,000, total, \$117,000,000, which is the full amount the Co. has authority to issue.

BALANCE SHEET, JUNE 30, 1902.

ASSETS.	
Ownership of subsidiary companies	\$93,060,309 76
Inventories	2,510,281 65
Accounts receivable	4,040,710 04
Cash	376,333 05
	\$99,987,654 50
LIABILITIES.	
Preferred stock	\$23,547,250
Common "	70,151,800
	\$93,699,050 00
Preferred stock instalment receipts, amount received from purchasers of stock	1,849,300 00
Vouchers, bills and accounts payable	3,342,496 30
Profit and loss	1,096,808 20
	\$99,987,654 50