

CANADIAN PACIFIC RAILWAY.**PROPOSED ISSUE OF NEW CAPITAL.**

The Canada "Gazette" of 10th inst., contains the following "Notice to Shareholders:"

"A special general meeting of the shareholders of the company will be held at the principal office of the company at Montreal on Monday, the 19th day of March next, at noon, pursuant to the Act of Parliament of Canada, 55-56 Victoria, chapter 35, entitled "An Act respecting the Canadian Pacific Railway Company," for the purpose of considering and, if approved, of authorizing an increase of the present authorized ordinary capital stock of the company from one hundred and ten million dollars to one hundred and fifty million dollars, being an increase of forty million dollars, and of determining the amount or amounts and the time or times of the issue or issues of said stock, the purposes to which the proceeds thereof shall be applied, and of adopting such resolutions or by-laws as may be deemed necessary in connection therewith in order to enable the directors of the company to give effect to the same.

"The common stock transfer books will be closed in Montreal, New York and London, at 1 p.m., on Saturday, 24th February, instant; the preference stock books will be closed in London on the same date.

"All books will be re-opened on Tuesday, 3rd April, 1906.

"The increased capital is called for by the great increase in the company's business and its continued expansion which demand enlarged facilities on every section. Sir Thomas Shaughnessy has given out a statement to above effect and that, as in the case of previous issues of new stock, it is proposed to give the shareholders of the ordinary capital stock the privilege of subscribing for the same at par in the proportion of one share of new stock to five shares of their registered holdings on the closing of the transfer books for this purpose on Friday, April 20, 1906."

TORONTO RAILWAY COMPANY.**ANNUAL REPORT, 1905.**

The earnings of the Toronto Street Railway Company last year were larger than any on record. For the last 4 years the gross earnings and operating expenses were as follows:

	1902.	1903.	1904.	1905.
	\$	\$	\$	\$
Gross earnings....	1,834,908	2,172,027	2,444,534	2,747,324
Operating expenses	1,015,361	1,200,823	1,424,179	1,560,437
Net earnings.....	819,547	971,364	1,020,354	1,186,887
Percentage of expenses to earnings...	55.3 p.c.	55.3 p.c.	58.2 p.c.	56.8 p.c.

The increase in net earnings in the last 10 years has been \$697,375, which is over 100 per cent.

There was a yearly increase in the percentage of operating expenses to gross earnings from 1898 to 1902, then a halt was called in this movement for 2 years, followed by a further increase in 1904, and in 1905 a reduction took place owing to the enormous development in the passenger traffic.

The distribution of the earnings in 1905 was as follows:

Operating expenses.....	\$1,560,437
Interest charges on bonds	171,599
Payments to the City of Toronto on account of percentages of earnings.....	292,706
Payments to city for pavement charges.....	79,996
Four quarterly dividends 1 1/4 per cent each.....	350,000

After providing for these large appropriations there was \$292,583 left, of which \$50,000 was carried to contingent account, and \$242,583 to credit of profit and loss. The profit and loss account shows accumulated profits amounting to \$1,714,798, all of which has been applied in capital expenditure.

The capital stock amounts to \$7,000,000, the bonds to \$3,613,373. Other liabilities, inclusive of profit and loss as at 31st December, 1904, \$1,472,215, and surplus 31st December, 1905, \$242,583, raise the total liabilities to \$13,088,745. The assets are, road and equipment with properties, \$12,686,140, stores, debts and cash in hand and in bank, \$402,605, making an aggregate of \$13,088,745.

President Mackenzie stated that the large expenditures in regard to receiving power from Niagara and for providing for increased traffic were nearly over and that a 6 per cent. dividend might be expected in the future.

THE EQUITY FIRE INSURANCE COMPANY.

The eighth annual meeting of the Equity Fire was held in Toronto on the 7th inst. According to the report presented, the premium income shows an increase of about \$45,000 over that of the previous year. The gross premiums amounted to \$360,648.94. The cancellations and re-insurance amounted to \$121,311.46, leaving net premiums of \$239,337.46. The interest amounted to \$5,731.14. The balance brought forward on the year's operations amounted to \$45,814 including \$34,624.21 brought forward from the previous year. The total subscribed capital of the company is \$500,000, \$150,000 of which has been paid in, leaving at call \$350,000. The reserve on unearned premiums, according to the statement, amounts to \$145,021.90. As we stated in connection with another office, the larger the business a young company transacts, the greater will be the impairment of its capital as a general rule in its earlier years, and there are those who question the desirability of transacting a large business on somewhat small resources. There is in the present instance in addition to what may be termed cash assets, uncalled capital of \$350,000.