

CANADIAN PACIFIC DIVIDEND

Opinions Divided as to Likely Maintenance of 10 Per Cent.
—Directors Will Decide on August 9th

Cable advices from London this week state that that market is prepared for a cut in the dividend of the Canadian Pacific Railway from 10 to 8 per cent. In New York, however, the opinion is held generally that the 10 per cent. rate will be maintained. In Canada opinions are divided. *The Monetary Times*, while in the dark with the rest of the prophets, is inclined to think that the 10 per cent. rate will not be changed at this time, unless the directors take an extremely cautious view of the position. Just now, particularly, the maintenance of the dividend would be of great assistance to Canadian credit generally, which, judged by the recent Canadian flotation of \$45,000,000 in New York, is shown to be at a high standard. The directors of the Canadian Pacific Railway will meet on August 9th to take action on the common dividend. Sir Thomas Shaughnessy, when asked, after his return from London recently, as to the outlook for maintaining the 10 per cent. dividend rate, said that Canadian Pacific had suffered a heavy shrinkage in gross revenues; but, he added, it must be remembered that Canadian Pacific is a very strong institution. As to whether the 10 per cent. dividend rate would be maintained, Sir Thomas observed that it had not been reduced as yet.

New Low Point for Stock.

Canadian Pacific's recent selling down to 138, a new low point since its gradual decline from 283 in 1912, when the stock was placed upon a 10 per cent. dividend basis, reflects both the heavy shrinkage in gross earnings, due to the war, and selling in the United Kingdom to realize money. When war was declared Canadian Pacific was around 195.

That there is a good-sized short interest in Canadian Pacific at present there is no denying, thinks the Wall Street Journal. And this short interest finds sustenance in the continued heavy declines in gross revenues and the generally discouraging business outlook in the Dominion. But are not the tremendous profits beginning to accrue to Canadian Pacific from the manufacture of ammunition and the handsome sums the steamships of the company are earning as war auxiliaries being overlooked? asks our contemporary.

The loss in gross revenues last fiscal year is admittedly large. It is in the neighborhood of 30¼ million dollars. But against this huge loss is a saving in operating expenses of something like 22 million dollars, so that the loss in net revenues will be confined to about nine millions.

Out of the transportation proceeds, Canadian Pacific has to meet 7 per cent. of the 10 per cent. rate on the common. And it is estimated on the basis of figures so far reported for the year just closed, that that 7 per cent. requirement was met with a surplus of over \$1,000,000.

Three per Cent. from Special Income.

The remaining 3 per cent. is paid out of special income. Just what the complexion of that account was at the end of the operating year is not known outside of official circles, but it is safe to say that outside of a possibly small shrinkage in the interest payments on land sales and a falling off in revenues from hotel operations, special income will show no losses. On the other hand, the largest single item in that special account, proceeds from the operations of steamships, with which is allied the departments of telegraphs and news, is more than likely to reflect big gains.

Over 90 per cent. of the Canadian Pacific eastern and western fleets are in the British Admiralty service and are reputed to be earning considerably more than they could in their regular freight and passenger service. The British government is pledged to return the steamers in the same state of repair they were in when taken over.

Estimating Canadian Pacific's year and taking into account all of these factors, the surplus for the common dividend from railroad operation only may be put at \$19,271,000 and final surplus at \$1,271,000 after deduction of the \$18,200,000 of dividends. This compares with a surplus for the common, in the preceding year, of \$26,926,000, from which there was deducted the 7 per cent. dividend amounting to \$17,150,000.

HOW CANADIAN LABOR IS ORGANIZED

Two Thousand Unions Have Branches Throughout
Dominion—Distribution of Finances

There were, at the end of 1914, a total of 2,003 local branch trade unions in Canada, 1,174 owing allegiance to international organizations, 196 affiliated with non-international bodies and 33 independent unions. These figures show a reduction of 118 in local branches of international organizations, a loss of one in independent units, and a gain of five in non-international branches, making a total decrease of 14 in the number of local union branches in the Dominion. The fourth annual report on labor organization in Canada issued by the Dominion department of labor shows that the effect of the war on Canadian trade union growth is shown in a decrease of membership, the loss being 9,636. The estimated numerical strength of organized labor in Canada at the close of 1914 stood approximately at 166,163. The membership for each of the past four years, as reported to the department, has been as follows:—1911, 133,132; 1912, 160,120; 1913, 175,799; 1914, 166,163.

The membership for 1914 of international organizations operating in Canada was 140,482, members of non-international bodies numbered 20,935, and 4,746 belonged to independent unions.

The decrease in international membership was 9,095, and in independent unions of 1,261, while the non-international membership shows a gain of 720. Trade unions up to January 1st this year furnished 3,498 recruits and 417 reservists to the empire's fighting forces.

Membership by Cities.

In 25 of the cities more than one-half of the local unions of the country are located, and among them they comprise nearly 40 per cent. of the entire trade union membership in the Dominion. Montreal stands in first place as to the number of local branches, but Toronto reports much the largest membership. The following summary gives the names of the cities, number of unions in locality, number of unions reporting membership, and the membership reported:—

Cities.	Number of unions in locality.	Number of unions reporting membership.	Number of members reported.
Montreal	126	43	8,439
Toronto	123	62	14,781
Winnipeg	80	40	6,693
Vancouver	69	34	5,165
Ottawa	59	33	3,262
Hamilton	53	32	2,684
Edmonton	44	23	2,037
London	43	17	1,587
Calgary	43	26	2,524
Quebec	40	17	2,630
Victoria	40	25	1,589
Fort William	30	14	775
St. John	29	14	980
Saskatoon	28	20	852
Halifax	27	11	1,386
St. Thomas	26	14	1,377
Regina	25	19	955
Moncton	24	12	1,640
Moose Jaw	24	13	944
Brandon	23	16	677
Lethbridge	23	17	862
Brantford	22	9	403
Windsor	22	7	178
Peterborough	21	10	427
Nelson	20	9	300
Totals	1,064	537	93,147

The directors of the Brazilian Traction, Light and Power Company have decided upon a 2 per cent. reduction in the company's dividend, placing the stock on a 4 per cent. basis, retroactive as from January 1st last. This action is said to be taken in view of the unsettled conditions surrounding exchange with Brazil, the low exchange rate now prevailing, and the prolongation of the war.