also to say that they have been operated in that country as successfully as anywhere. But at this point we are reminded of the folly repeatedly shown in building railways in excess of the needs of the country, the establishing of trunk line after trunk line to reduce the possible earnings of those that had gone before. Still, it is one thing for a lot of promoters or a board of directors to get a road built, and another for the officials to conduct it. While exceptions must be made of such follies as through rate-cutting and occasionally carrying passengers for a dollar distances where nothing less than five would pay, yet we dare say that American railway men as a whole have no superiors anywhere in the administration of the roads.

Twenty-five years ago there was in the United States only 39,250 miles of railway; at the close of 1891 the length of railway completed was 170,601 miles, or more than four times as much. The increase in mileage during 1891 was 4,488 miles. In the past twenty five years, the *Manual* tells us, the mileage of railroads in New England, where the development has been without speculative feature, has increased from 3,938 miles to 6,860. In the six States comprising the middle group the increase has been from 9,190 to 20,428 miles, and in the south from 9,940 miles to 32,110. But in the Western States, from the Ohio and Mississippi rivers on the east to the Rocky Mountains on the west, an area of 1,626,390 square miles, "where the progress of the nation has been most rapid and its increase in wealth most marked, the railway has been the great instrument in opening up new territory to settlement, and furnishing the means of transportation without which these lands would be still undeveloped and unproductive." There are over 100,000 miles in these States, where, in 1867, there were only 15,777 miles. Of this mileage only a small portion in 1867 was west of the Mississippi, where there are now 50,000 miles of line. In 1867 the mileage in the States on the Pacific coast was 431; in 1891, 12,613 miles.

These are extraordinary figures, but the traffic returns are still more remarkable. In the year 1866, from careful prepared data, the tonnage of the railroads did not exceed 47,871,500 tons, the mileage for last year being 36,801 miles, equal to 1,300 tons per mile. In 1891 their tonnage equalled 704,398,609 tons for 170,601 miles of line, equal to 4,130 tons per mile. So successful have the Messrs. Poor been in obtaining returns from the railways that their figures cover 167,909 miles, or almost ninety-eight per cent. The share capital corresponding to the mileage completed at the end of 1891, equalled $4,809,176,651, against $4,640,239,578 in 1890, the rate of increase being 3.6 per cent.

The funded debts of all the lines at the close of the year aggregated $5,235,074, a sum $129,393,049 in excess of the total of 1890, and increase of 2.5 per cent. The other forms of indebtedness of the several companies at the close of the year equalled $345,362,503, against $376,494,297 for 1890, a decrease of $31,131,794. The total share capital and indebtedness of all kinds of all the roads making returns equalled at the close of the year $10,389,834,228, an increase in the year of $267,198,328 over the total of 1890. The cost per mile equalled $59,820.

It appears that the average earnings last year were not as great as in either of two preceding years. (Gross earnings for five years beginning with 1886 were 10.2; 10.8; 10.2; 10.3 and 10.8 per cent. where last year they were only 9.1.)

"During the period for which a large proportion of the companies reported in 1891, the business interests of the country were in a depressed condition, and the effects of this depression are evidenced in the statistics now presented in the *Manual*." But the abundant crops of last year, and those now to a large extent assured for this year, promise well for increased earnings. In 1889 net earnings were 3·3 per cent. on a total investment of $9,680,000,000; in 1890 they were 3·4 per cent. on $10,122,000,000. Last year the gross earnings of $1,138,024,459 equalled 9·1 per cent. of the total investment, aggregating $10,389,834,228; and net earnings, $356,209,880, equalled 3·1 per cent. The total amount of interest payments in 1891 was equal to 4·25 per cent. of the aggregate bonded indebtedness of all companies, and the total amount of dividend payments was equal to 1·85 per cent. on all paid-up capital stock.

These tabulations of the progress and results of the operations of the railroads of the country for a series of years are truly described as of great interest and value, presenting at a glance information beyond the reach of people actively engaged in affairs, as they are to be arrived at only by a vast amount of laborious research by experts.

DOMINION BUILDING AND LOAN ASSOCIATION.

A subscriber in Ontario sends us a copy of a report to the shareholders of the Dominion Building and Loan Association, signed, for the board of directors, by F. A. Hall, president, and dated 18th July, 1892. There was a meeting called in July, at which this report was submitted, and some trouble arose thereat, we are told. If this report, and its accompanying figures, are all that was submitted, we do not wonder at the dissatisfaction expressed. Mr. Hall regrets to say that "though every effort has been made by us we are not in a position to give a full and detailed statement from our auditors." The auditors, Messrs. Joseph Blakeley and Edward Still, likewise express regret at the delay, but hope to report "in a short time." Although they have not verified the figures certified to by Mr. F. M. Holland, secretary *pro tem*, and J. MacQuillan, treasurer, still the auditors say they think them "substantially correct." The board, too, believe the figures substantially correct, but add—an important addition—that they do not include a floating liability to the extent of about $3,000, mostly unsettled and partly in dispute. They request the members of the association to transfer to expense account a sum necessary to pay existing liabilities. They also request that some new by-laws be considered and approved. We assume that this by-law is designed to sanction the irregular use of moneys out of loan fund for expense purposes, to which exception was taken at a previous meeting. Then comes a paragraph stating that the board is "pleased to note that notwithstanding serious difficulties in the way of the Association, a large amount of new stock has been subscribed during the last six months," and then they proceed to talk about *careful and economical management* making this concern "one of the most prosperous financial institutions in the country."

Well, there is much need of such management. So far as we can understand the separate statements of Loan Fund and Expense Fund, debits and credits, the assets, liabilities statement, and the profit and loss account, the Association has been "going it" even more strongly than we supposed. In two years they have spent over $40,000 for expenses, and all the mortgages they have to show amount to $269,327. Expended for salary account, $14,025; for commission on renewals (T. B. Darling and S. F. Kilgore), $8,354; stationery and printing, $3,943; directors' fees, $2,770; rent, $1,847; travelling expenses, $1,255. Then there are sums at promotion account, office furniture, special agents, postage and incidentals. Then there is a "Sunday Expense Account, $5,460," whatever that may mean, and an overdraft of Mr. Kilgore's for $2 207.89.

The assets and liabilities statement shows that there has been paid in on stock $323,825, but of this sum $6,213 has been forfeited, and no less than $47,635 is withdrawn. We have already commented (MONETARY TIMES, December 26th, 1890) on the danger of this "withdrawal" feature. Suppose $47,635 more is withdrawn in the next two years, how will they meet the demand? The only way we see is the hypothecation of their mortgages. Their expenses thus far, by the way, are about 16 per cent. of the face value of their mortgages. Their Profit and Loss account shows a "surplus" of $6,736. But on turning to Assets and Liabilities to see what the surplus consists of, we find $2,744 of the assets consists of interest and premiums due; $2,207 of an overdraft by Mr. Kilgour: $794 *spent* on promotion account and $1,363 of office furniture. Are these items worth $6,736? if not, where is the surplus? An amount of $3,935 remaining in the hands of the Trusts corporation, is, presumably, bespoken for some such purpose as the payment of the $3,000 of bills payable that appears on the opposite side of the account. Cash in hand makes a modest appearance, viz., $18.56. And this leads us to notice that the company's account is no longer kept with the Dominion Bank; whether from necessity or choice they have gone to the Traders, a significant fact in either case. By the way, why does not Mr. Kilgore's name appear in the statement? But we have no more space or time to give to this unfortunate concern. If anybody interested wishes to know