

In June it commenced to go down, the following low points being reached: July, 130½; Aug., 128; Sept., 118; Oct., 92½; Nov., 75; Dec., 73; the last named figure being 99½ points below the top figure of 1902.

The control of the company's affairs and the general direction of its business have been practically vested in J. J. Long from the first, as the late Jas. Scott did not take an active part during the time he was President. After the organization of the company in 1899 C. Cameron became Manager, as he had been before of one of the constituent companies. Then for about a year A. Miscampbell acted as manager. The necessity of getting an up-to-date steamboat man became so evident that early in 1901, W. Askin, one of the best and most reliable lake traffic men in Ontario, was appointed Manager, with headquarters at Collingwood, but the impression prevails that he was only allowed to be Manager in name, and that some of the local directors unnecessarily interfered in details and rendered his position almost untenable. After the balance of the stock of the Northwest Transportation Co. had been secured, Mr. Askin was appointed Assistant Manager at Sarnia, and A. B. Pratt was given a similar position at Collingwood, both being subject to the direction of the President. Since C. Cameron's election to the Vice-Presidency he has again taken a somewhat active part, especially in regard to the running of the Collingwood division. Early in 1903 C. T. Long, a son of T. Long, and a nephew of J. J. Long, was appointed General Manager and has had his headquarters at Sarnia. Inquiry fails to show that he possesses the necessary qualifications for the position, his previous experience as a reporter, commercial traveller, etc., etc., certainly not being such as would usually be considered necessary in the general manager of a navigation company with a capital of \$840,000 at stake.

The annual report for 1902, written, of course, after the yield of the Northwest wheat crop was known, stated that the prospect for a large freight business for 1903 was excellent, and that if weather conditions were favorable there should also be a large passenger business, but early in the navigation season of 1903 rumors became current to the effect that the company's traffic was unsatisfactory. We have reason to believe that the west-bound traffic was good, but that there was a falling off in east-bound freight, especially in grain, and that it had to be carried at low rates. It is said that working expenses have been considerably increased, and there is reason to believe that there has been extravagance in regard to advertising and other matters. At all events the net earnings for the year do not appear to justify the payment of the usual second half-yearly dividend, and it is understood that it will be passed.

In Nov. last a shareholder who had been looking into matters on his own account obtained information that he believed should be in the possession of at least some of the directors, and he accordingly communicated it to a member of the firm of Osler & Hammond, who acted as brokers for the Company when the first issue of new stock was made in 1901. This was communicated to certain directors who were not looked on as adherents of the Long brothers. Action was taken at a board meeting; it was determined to have an investigation made, and the work was entrusted to Clarkson & Cross, chartered accountants, Toronto, who have since been engaged on it. It is alleged that there has been incompetency; that the staff has been unnecessarily increased; that too much money has been spent for advertising, printing, etc.; that supplies have been carelessly purchased; that large quantities of them have been bought from certain directors; that there has been no proper check on prices charged; that

the steamer Huronic was built by a company in which certain of the directors are largely interested; that other steamers have been repaired by the same company without there being any proper check on the prices charged; that certain directors have for several years enjoyed a special tariff for the carriage of their goods; that another company in which the same directors are interested has also enjoyed special rates of freight, and that the issue of free transportation has been abused. There may be nothing in these charges; that the investigation, if thoroughly made with the assistance of experts, whose services should be secured, will determine, but there is no doubt that the company has been badly managed, and that a change is absolutely necessary.

We believe that in the best interests of the company the directors who feel that a change is necessary should, if they are a majority of the board, dispense with the services of the General Manager; that the shareholders should withdraw any proxies they may have issued in favor of J. J. or T. Long; that they should refuse to re-elect any of the directors who may have materially decreased their holdings of stock; and that they should elect as directors men who know something of navigation business and who will devote the necessary time to keep themselves thoroughly acquainted with the company's affairs, and not merely sit at board meetings and draw fees, and who will not allow the company to be run for personal interests. The new board to be elected at the annual meeting on Jan. 26, should remove any officials who may be found to be incompetent or unsuitable for their positions, or who are under the personal control of any directors; they should appoint as general manager a steamboat man of unquestioned character and experience, and a general passenger and freight agent who understands lake business and who is acceptable to the railways from which the company's freight and passenger business is largely derived. An up-to-date system of bookkeeping should be inaugurated and a proper method devised for checking the purser's accounts. Supplies should be purchased on the most favorable terms, and after competition, and not from directors or officials of the company, unless their prices are lower than others. The head office should be removed from Collingwood to Toronto, which would be a most convenient point from which to control the two divisions, the local headquarters of which should remain at Collingwood and Sarnia.

Dominion Marine Association.—A meeting of the executive committee was held in Toronto Dec. 22; present, C. F. Gildersleeve, President, in the chair; J. A. Cuttle, Captain T. Donnelly, T. Harling, A. A. Wright, Captain Crangle and F. King, Secretary-Treasurer. The subjects referred to in the circular issued by the President and Secretary to the members, and which was printed in full in our last issue, were thoroughly considered, and it was decided to continue to urge on the Dominion Government some of the requests already made by the Association, and which have not been granted, and also to press some other matters. The annual meeting will probably be held at Ottawa during the next session of Parliament.

Passenger Rate Committees.—The Niagara Frontier Summer Rate Committee will meet at the King Edward Hotel, Toronto, Jan. 14; the rate clerks will meet there on the previous day to arrange details. The Great Lakes and St. Lawrence River Rate Committee will meet at the same place Jan. 15.

The Niagara Navigation Co.'s str. *Chicora* is now at Kingston and will be placed in the Government dry dock for the winter. The hull and machinery are to be overhauled and repaired by the Canadian Shipbuilding Co.

C.P.R. Betterments, Construction, Etc.

Megantic Yards, Etc.—We have been advised that there has been some consideration given to the question of rearranging the divisional terminals between Bingham Jct., Que., and Mattawamkeag, Me., but nothing definite has been decided. In this connection it has been proposed to make a divisional point at Lennoxville or Cookshire, and if that is done, Holeb, on the Atlantic division, will probably be made the divisional point instead of Megantic. (Dec., 1903, pg. 421.)

Northern Colonization Ry.—Grading, tracklaying and ballasting have been completed on the extension from Labelle to Nominique, Que., 25 miles. We were advised Dec. 1 that nothing further would be done during 1903. (Dec., 1903, pg. 421.)

Ottawa, Northern and Western Ry.—A press report states that it is intended to extend the old Ottawa and Gatineau Valley Ry. from Maniwaki, to which point it was extended during 1903, for a further distance of 100 miles, to effect a junction with the line which the Dominion Government proposes to construct between Winnipeg, Man., and Moncton, N. B., in connection with the G.T. Pacific Ry. (Dec., 1903, pg. 421.)

Ontario Lines.—On Dec. 1 a deputation representing Bowmanville, Cobourg, and other towns in Ontario, waited on Sir Thos. Shaughnessy at Montreal, and asked that the C.P.R. construct a line from Springbrook, on the Montreal-Toronto main line near Central Ontario junction, through Campbellford and Warkworth to Cobourg, and then westerly along the lake front through Port Hope, Bowmanville, Oshawa, Whitby and Pickering, joining the main line again at a point near Agincourt. Sir Thomas promised to take the matter into consideration. (Dec., 1903, pg. 422.)

Winnipeg Station, Hotel, Etc.—The final details in connection with the plans for the new station, hotel, subway, etc., are being worked out. The total cost of the work is estimated at \$2,500,000. (Oct., 1903, pg. 355.)

Pipestone Branch.—We were recently advised that grading on the extension of this branch from Arcola to Regina, Assa., 113 miles, had been completed, and that on Dec. 1 track had been laid for 40.7 miles from Regina easterly towards Arcola. A recent press report stated that it was intended to make an effort to complete the tracklaying on this branch, and that it was expected to get the work completed early in Jan. (Nov., 1903, pg. 385.)

Pheasant Hills Branch.—Track has been laid for 120 miles from Kirkella, Man., on this extension, and grading has been completed for a total distance of 147.3 miles. We were advised Dec. 1 that no more grading or tracklaying would be done in 1903, but that work in connection with the erection of the bridge across Pheasant Creek would be gone on with during the winter. (Dec., 1903, pg. 422.)

Branch from Wetaskiwin.—A press report recently stated that steel rails from British Columbia, which had been replaced by heavier rails, had been delivered at Wetaskiwin, Alta., and that it was proposed to lay 30 miles of track on an extension easterly from that point on the Calgary and Edmonton Ry. early in the year. Another report stated that J. G. Sullivan, Divisional Engineer of Construction, Winnipeg, had been at Wetaskiwin completing arrangements for the construction of 100 miles of line. We were advised Dec. 21 that surveys for a branch line from Wetaskiwin, or in that neighborhood, had been made, but nothing definite had been decided as to the length, starting point, route, etc.

Clanwilliam Deviation.—The deviation under construction at this point includes the driving of three tunnels. (Nov., 1903, pg. 385.)