

## INVESTMENTS AND THE MARKET

### Montreal Tramways Report—Appeal to Quebec Utilities Commission—City of Winnipeg Fights Increase in Street Railway Fares

**Consolidated Mining and Smelting Co. of Canada, Ltd.**—The head office of the company is to be moved from Toronto. After October 6th the head office and general sales office will be located in the Drummond Building, Montreal. The Ontario sales office will be continued in the Canadian Pacific Railway Building, Toronto.

**Montreal and Southern Counties Railway.**—The annual meeting of the company was held last week, and the following directors were elected: Howard G. Kelley, president; Frank Scott, vice-president and treasurer; J. E. Dalrymple, vice-president; W. H. Biggar, W. D. Robb, and J. A. Yates, secretary. J. M. Rosevear was named general auditor, and W. P. Powell, general manager.

**Cuba Railroad Co.**—Gross earnings of the company for the year ended June 30th last, amounted to \$12,236,245. After deducting operating expenses of \$8,926,014, the net earnings stood at \$3,310,231. The gross income for the year was \$3,466,960. Total assets now amount to \$59,927,119. The balance carried from the profit and loss account was \$5,501,145.

**Dominion Iron and Steel Co.**—Operation of the Sydney, N.S., plant has been partially resumed after it had been completely shut down for about one month. With the present high costs of operation it is impossible to run it at full capacity. It has been rumored recently that important extensions are contemplated, but no announcement has as yet been made.

**Western Power Co. of Canada, Ltd.**—Reports from Vancouver, B.C., state that operating revenues of \$40,598, an increase of 2.9 per cent. compared with July, 1918, and net earnings of \$25,298, an increase of 5.5 per cent. compared with July, 1918, were results of July business. There were included in operating expenses for depreciation during July, 1919, the sum of \$1,702.

For the twelve months ended July 31st, 1919, the company shows operating revenues of \$458,375, an increase of 1.6 per cent. over the same period in 1918, and net earnings of \$292,391, a decrease of 6.6 per cent. compared with the same period of 1918, after making allowance for depreciation of \$20,665.

**Cape Breton Electric Co., Ltd.**—For the twelve months ended July 31st last, the company presents the following comparative earnings statement:—

	July 31, 1919.	July 31, 1918.	Increase.
Gross earnings .....	\$560,707.43	\$490,079.96	\$70,627.47
Operating expenses and taxes .....	431,847.30	348,958.14	82,889.16
Net earnings .....	\$128,860.13	\$141,121.82	*\$12,261.69
Interest charges .....	64,282.50	63,039.57	1,242.93
Balance for reserves, replacements and dividends .....	\$ 64,577.63	\$ 78,082.25	*\$13,504.62

\*Decrease.

**Nova Scotia Steel and Coal Co.**—In a letter to *The Monetary Times*, Thos. Cantley, chairman of the board of directors, denies recent reports to the effect that important extensions are to be made shortly. "The Scotia company," he says, "for some time have had under consideration a program calling for a considerable expansion in connection with the iron and steel-producing end of our business at Sydney Mines. If conditions were normal this would have been proceeded with ere now, but in view of the fact that we are only able to get about forty cents value for any money spent, either in connection with labor or material, at the present time, we do

not feel justified in proceeding with any large scheme of construction while conditions remain so abnormal. Wages and costs must come down to a reasonable basis before business can run along in normal channels. As soon as the conditions warrant it Scotia will proceed with large extensions. Just when this time will arrive it is quite impossible to say."

**Maple Leaf Milling Co., Ltd.**—At the special general meeting of the company this week power was granted to purchase a controlling interest, approximately 11,000 shares, in the Campbell Flour Mills, Ltd., to increase the capital stock by an additional issue of \$1,000,000 preferred, to fix the quorum at meetings of the directors at less than a majority, and to pay dividends in specie. The capital of the Campbell Flour Mills, \$650,000 preferred and \$650,000 common stock, and 80 per cent. of both the securities, are in the hands of the estate of the late Senator Campbell. The terms of purchase are par for the preference stock and 90 for the common. The capital of the Maple Leaf Milling Co. will now aggregate \$6,000,000, divided between \$2,500,000 common and \$3,500,000 preferred.

By the merger just consummated the Maple Leaf Milling Co. will become stronger in its Canadian connections, the Campbell Milling Co. having done most of its business in the Dominion, while the first-mentioned concern has sent most of its products abroad. The total milling capacity of the Maple Leaf Milling Co. will be 18,200 barrels a day. Its six mills—at Port Colborne, Kenora, Thorold, Welland, Dresden and Brandon—have produced 15,000 barrels per day, while the Campbell mills have produced 3,200 barrels per day, 2,200 at West Toronto, 800 at Peterboro' and 200 at Pickering.

**Winnipeg Electric Railway Co.**—The company's application to the Provincial Public Utilities Commission was heard on September 25th, but was on the same day adjourned until October 1st. At a meeting of the city council, held on the preceding day, it had been decided to oppose the company's application for higher fares. Some time ago John Scott and Co., chartered accountants, had been instructed by the commission to make an investigation into the company's financial affairs. On the basis of this report the city solicitor alleged before a meeting of the transportation committee of the city council that the capitalization had been inflated to the extent of over \$3,000,000, that melon-cutting in the year 1913 cost it \$3,450,000, and that there was an issue of \$2,000,000 of bonds of which no record could be found. He also asked that in the event of the application being granted, he should be authorized to apply for an injunction to prevent the company from putting the increase into effect on the ground that the Public Utilities Act was unconstitutional. Other items were quoted from the report to the effect that between 1905 and 1915 the company had paid over \$7,500,000 in dividends, some of the later ones being met by overdraft at the bank. The earnings of the company since it obtained the increase in fares last winter showed that for the first seven months of 1919 it was \$95,000 to the good, compared with the first seven months of 1918. With reference to the bond issue, he said that when the Winnipeg Electric and the Winnipeg General Power Co. were amalgamated in 1904 the debts of the latter were assumed by the new company, which made a bond issue of \$5,000,000, of which \$2,000,000 was to take up a similar amount of bonds of the power company, but the Scott report stated that no evidence is found of the existence of the \$2,000,000 of power bonds. In 1912, \$3,000,000 of stock was sold to shareholders at \$100 per share when it was worth \$215 per share, and subsequently sold up to \$265.

When the sitting of the Public Utilities Commission opened, counsel for the company pointed out the Mathers award had meant an increase of \$367,230 in the wage bill, and he also filed a statement, showing a deficit of \$122,439 for the ten months ended August 31st, 1919. He also refuted the statements that had been made by the city solicitor before the council, pointing out that the dividend payments did not amount to more than 7 per cent. on the assets invested, nor to more than 8 per cent. if the cash investments