The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY.

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Annual Subscription, $3.00. Single Copy, 10 cents.

MONTREAL, FRIDAY, SEPTEMBER 1, 1916

C. P. R'S. ANNUAL REPORT

The pamphlet report of the Canadian Pacific Railway for the fiscal year ended June 30th last contains as usual much information that no serious student of the economic affairs of the Dominion can afford to neglect. The leading revenue figures have previously been published in THE CHRONICLE. The traffic analyses bring into prominence the extent to which the large railway earnings reported during recent months have been the result of last year's bumper grain crops. Bushels of grain forwarded over the C. P. R. during the last fiscal year totalled no less than 276,788,209, much more than double the amount carried in the previous fiscal year, which was only 126,909,828 bushels, and comparing with 184,954,241 bushels in the fiscal year ended June, 1914. The allied flour traffic also showed a heavy increase, the freight reported being 10,499,260 barrels against 8,538,600 barrels in 1915 and 8,802,250 barrels in 1914. Other important traffic increases are reported in lumber and manufactured articles. Lumber carried totalled 2,696,804,934 feet against 2,180,735,600 feet in 1915 and 2,953,125,699 feet in 1914. The falling-off as compared with two years ago is probably accounted for by the decline in construction and the lack of ocean shipping facilities. Manufactured articles carried are reported as 7,960,723 tons against 6,024,590 tons in 1915 and 8,148,012 tons in 1914. These figures, while showing an important increase during the last 12 months, suggest that the munitions business in the centres served by the C. P. R. has not been sufficient entirely to compensate for the loss of the ordinary traffic of pre-war commerce, which was, of course, heavily reinforced by home and foreign freight in connection with new construction. Of the other classes of freight reported, live stock shows a considerable falling-off, only 2,190,389 head having been carried against 2,833,726 in 1915 and 2,481,360 in 1914. Firewood, a minor item, is about stationary, while all other articles are 8,228,156 tons against 7,423,163 in 1915 and 9,159,112 in 1913. It is noted that the abnormal increase in grain tonnage, which is, of course, handled at very low rates, is largely responsible for a falling-off in the freight revenue per ton mile from 76 cents in 1915 to 64 cents in 1916, reductions in many Western Canadian tariff rates being also a contributory factor. The earnings per passenger per mile also show a sharp decrease from 2.06 cents in 1915 to 1.97 cents in 1916, a fact which suggests that more attention was paid by the public to cheap fare periods than in more prosperous times. The number of passengers carried, 13,833,978, while 600,000 larger than in 1915, is still much below the pre-war level of 1914, when the total reported was 15,638,312. Evidently, a measure of economy at least is being exercised by Canadians in regard to travel.

VARIEGATED ASSETS.

The variegated character of the C. P. R's. assets, which make of it much more than a great railway corporation, has frequently been commented upon, In the present balance sheet, the total assets are reported as $960,217,058, of which the railway, rolling stock equipment and ocean, lake and river steamers account for $530,788,979. Acquired securities, mainly consisting of railway bonds, but including also steamship companies' securities, hotels, stocks, an express company's stock, public markets and municipal bonds stand at cost, $111,793,715. Other assets, aggregating $127,129,136, include 7,870,056 acres of land, timber lands and mills, demonstration farms, improved farms, coal, natural gas and petroleum rights, collieries, shares in a smelting company and power plant and live stock advanced to farmers having contracts with the Company on security lien notes. The extraordinarily liquid position of the Company at present is seen in the fact that while cash on hand is $41,581,681 and total working assets, $69,738,327, current liabilities are only $15,511,225. It is noted in the President's report that the steamship revenue reported as $3,583,292 is exclusive of an amount transferred to reserve to cover the cost of replacing ships sold and destroyed and to cover any tax on excess profits that may be ultimately payable. The reserve for contingencies and for contingent war taxes is no less than $14,103,178 against $2,159,491, reserve for contingencies only last year. Moreover, the profits resulting from munition manufacture have not been taken into revenue, but have been set off as a contribution to patriotic and relief funds and other expenditures directly due to the war and not properly chargeable to working expenses. The whole report witnesses again to the prudent and far-sighted administration which has consistently marked the C.P.R. and which has been no more strongly in evidence than at the present time.