

RAILWAY FINANCE, MEETINGS, ETC.

Algoma Central and Hudson Bay Ry.—The Ontario Legislature has passed an act authorizing the guarantee of bonds to the extent of \$2,000,000 in connection with the reorganization of the Consolidated Lake Superior Co., under the name of the Canadian Improvement Co. The Premier in introducing the measure stated that the first thing to be done if the reorganization were completed, was the completion of the A.C. and H.B. Ry. This would take \$1,640,700. Of this road 91 miles were completed, 110 miles graded, and to complete it to the C.P.R. would entail the construction for 25 miles of what was as yet unbroken ground. But the engineer certified that the route of this 25 miles ran across reasonably level country, well adapted for inexpensive railway construction. This would make a total length of railway, including the Michipicoten branch, of 225 miles. The amount of money to be expended for the completion was to a certain extent provided for already. As against this expenditure by the Company there was the Dominion subsidy of \$645,000, of which \$341,440 had already been earned and the balance would have been earned when the line already graded was completed. There would be a further sum of \$142,500 to be earned in respect of the 25 miles to connect with the C.P.R., making altogether \$787,764, or nearly half of the amount which it would cost to complete the line. The Government was to have as security a first mortgage on this 225 miles of line, as well as a mortgage on the following securities: \$6,750,000 first mortgage bonds of the A.C. and H.B. Ry.; \$405,000 of first mortgage bonds of the Manitoulin and North Shore Ry.; a mortgage on the rolling stock valued at \$1,000,000; \$725,000 first mortgage bonds of the steamers of the Company; the common stock of the A.C. and H.B. Ry., \$10,000,000; the common stock of the M. and N.S. Ry., \$214,000, as well as the land grants of both companies. The new company was to have a capital of \$40,000,000, and there was to be issued \$3,000,000 of income bonds, and \$10,000,000 of first mortgage bonds, which would be secured on all the properties of the Company except the railways and steamships. The main security of the Government was its first mortgage on the railways, their rolling stock, the steamships and the land grants, but in addition the Government was to have collateral in the shape of bonds. The guarantee of the Government would extend over two years, and in the case of default, by the non-completion of the line, possession could be taken of the line. The Government would also have three representatives upon the directorate, the total number of directors being nine. From statements issued during the discussion it appeared that under the reorganization plans the Canadian Improvement Company would have a working capital of \$4,340,000 after paying off all liabilities, and that the total cash investments in the various undertakings amounted to \$28,259,177.00, of which there had been expended on the A.C. and H.B. Ry. \$9,017,297.27; on the Manitoulin and North Shore Ry., \$533,186.95; on the Trans-St. Mary's Traction Co., \$217,784.41; and on the International Transit Co., \$308,744.51, a total of \$10,076,993.14.

Bellingham Bay and British Columbia Ry.—The Great Northern Ry. (U.S.) is reported to have secured an option on the B.B. and B.C. Ry., which connects with the C.P.R. on the International Boundary at Sumas.

British Columbia Electric Ry.—The earnings for the half-year ended Dec. 31, 1903, were £85,286 and the working expenses £46,932, leaving £38,354 net earnings, compared with £29,905 for same period 1902, and £27,350 for same period 1901. In view of the good results of the half year's trading the di-

rectors increased the dividend on the deferred ordinary stock to 3% for the half-year, being at the rate of 6% a year. The dividend was paid April 21.

Earnings and expenses for Feb.:

GROSS EARNINGS.	1903.	1904.	Increase or Decrease.
Railway—Vancouver division	\$10,619	\$14,008	\$3,389+
Victoria	7,800	9,266	1,466+
Westminster	8,060	8,189	129+
Lighting—Vancouver division	17,336	23,292	5,956+
Victoria	8,376	10,690	2,314+
	52,191	65,445	13,254+
Less working expenses	33,488	38,093	5,415+
	18,703	26,542	7,839+
Renewal funds	4,222	5,988	1,766+
Net income	14,481	20,554	6,073+
Aggregate gross earnings, July 1, to Feb. 29	455,428	552,084	97,556+
Aggregate net earnings, July 1, to Feb. 29	155,544	203,958	48,414+

Buffalo and Lake Huron Ry.—The report for the half-year ended Dec. 31 showed that after providing for the interest on the 1st and 2nd mortgage bonds, the available balance on revenue account, including the amount brought forward from the previous half-year, was £14,224 15s. This allowed of the payment of the usual dividend of 5s. 3d. a share, and left a balance of £440 1s. 9d. to be carried forward. The dividend was paid early in March. The B. and L.H. Ry. Co. owns the line between Fort Erie and Goderich, Ont., 162 miles, which is leased to the G.T.R. at a fixed rental of £70,000 a year, payable half-yearly, Mar. 1 and Sept. 1. The capital account shows that there have been issued 52,513 ordinary shares of £10 each, on which there has been paid £525,130, and that there have been issued 5½% first mortgage bonds to the amount of £297,600, and 5½% second mortgage bonds to the amount of £466,158, making a total capital indebtedness of £1,288,888. The half-yearly meeting was held in Liverpool, Eng., Mar. 2, when the report was adopted, and a resolution authorizing the payment of the dividend passed.

Canada Atlantic Ry.—J. R. Booth recently stated that the press reports to the effect that Mackenzie, Mann & Co. were negotiating for the purchase of the C.A.R. had no foundation; in fact, he denied that overtures looking to the sale of the line had come from anybody.

The net earnings for 1903, a press report states, show an increase of \$122,069 over 1902.

Canada Coals and Ry. Co.—The report for the year ended Sept. 30, 1903, as filed with the Provincial Engineer of Nova Scotia shows total receipts of \$34,516.84 made up as follows: passengers, \$3,073.05; mails and express, \$686.28; freight, \$29,521.71; mileage, \$1,235.80. The expenditures were: maintenance of ways and works, \$4,978.41; locomotive power, \$5,488.74; repairs and locomotives of cars, \$2,937.66; traffic expenses, \$2,933.31, total, \$16,338. The net revenue was \$18,178.72.

Canada Eastern Ry.—Rumors to the effect that the C.P.R. has acquired the C.E.R. from the Alexander Gibson Ry. and Manufacturing Co. continue to be circulated in Montreal and New Brunswick. The latest are that the C.P.R. had an option on the line which expired Mar. 10, and that T. C. Burpee has inspected the line with a view to its purchase by the Dominion Government as a part of the Intercolonial system. The price mentioned as being asked is \$700,000.

The Canadian Electric Traction Co. (Ltd.) recently issued a prospectus in England inviting subscriptions for 53,000 shares of £1 each, part of an issue of 78,000 shares. The Company has a capital of £120,000 in £1 shares, and has been formed for the purpose

of financing the construction of electric railways in Canada, and, as a first operation, has entered into contracts which provide for the construction of certain lines in the province of Ontario. We are advised that the Company has entered into a contract with the South-Western Traction Co. for financing the construction of the line and equipping it with rolling stock. C. G. Steele, formerly chairman of the Great Northern Ry. of England, is chairman of the board, and A. E. Welch, of London, Ont., is Managing Director and Secretary-Treasurer of the South-Western Traction Co.

The Canadian Improvement Co. is the title of the new Company in course of formation to take over the Consolidated Lake Superior Co. and its subsidiary companies. The Company will have a capital of \$40,000,000, with a bond issue of \$13,000,000. See Algoma Central and Hudson Bay Ry.

Canadian Northern Ry.—Earnings:—

	1903-04.	1902-03.	Increase or Decrease.
July, 1903	\$254,800	\$132,000	\$122,800+
Aug "	250,800	131,200	119,600+
Sept "	270,800	182,300	88,500+
Oct "	334,100	236,500	97,600+
Nov "	338,300	240,500	97,800+
Dec "	279,200	201,700	77,500+
Jan., 1904	211,800	154,700	57,100+
Feb. "	175,100	147,750	27,350+
Mar. "	201,900	174,700	27,200+
	\$2,316,800	\$1,601,350	\$715,450+

+Increase.

Net earnings for Feb. \$51,800, against \$50,100 for Feb., 1903, making net earnings for eight months ended Feb. 29 \$725,600, against \$500,610 for same period 1903. There are in operation 1,350 miles, against 1,277 in 1903.

W. Mackenzie, President, on his return from a recent visit to London, Eng., was interviewed regarding the future of the line, and stated that he had been able to place a large issue of the guaranteed bonds of the Company at a satisfactory rate, notwithstanding the sluggish state of the money market. The issue of bonds will be sufficient to provide for the Company's construction requirements for a couple of years.

The Company is applying at the current session of the Dominion Parliament for an act authorizing the consolidation of a number of the securities issued from time to time in the past, by the issue in place thereof of new stock. The Manitoba Legislature at its recent session passed an act providing for the exchange of certain outstanding guaranteed bonds and the exchange therefor of a new issue of guaranteed securities. Under the agreement of 1901 the Company was authorized to issue 2nd mortgage 5% bonds to rank after the guaranteed bonds, the total of both issues being \$10,000 a mile. Under the present act the Government guarantees the principal and interest of bonds, debentures or other securities to the extent of \$10,000 a mile, in respect of which it has guaranteed or agreed to guarantee bonds, and provision is made for the issue of such securities in exchange for the mortgage bonds at present issued.

Cape Breton Electric Co.—See Sydney and Glace Bay Ry.

Cape Breton Ry.—The report of the operations of this railway to Sept. 30, 1903, which extends from Point Tupper to St. Peter's, N.S., 31 miles, and which was opened for traffic Sept. 7, 1903, is given in the report of the Provincial Engineer of Nova Scotia. The receipts were \$788.11 and the expenditure \$1,386.43, showing a net loss on the 23 days' operation of \$598.32. The Company ran mixed trains 1,395 miles during the period under review.

Central Ry. Co.—The report of this Company, which now forms part of the Halifax and Southwestern Ry., for the year ended