

was a case where you literally paid your money and took your choice. The meeting took place yesterday after the closing of the Board, and when it adjourned the announcement was made that the dividend rate had been cut in half, and that only one-half of one per cent. would be paid. The statement submitted shows that since June last, the earnings of this Corporation have fallen off materially of from \$12,992,780, to about \$9,000,000, while the unfilled orders on hand show a decrease of 1,114,265 tons from the October statement of 1902. That the regular dividend of one per cent. could have been paid, there is little question, but the falling off in earnings made the directors look into the future, and caused them to take the conservative action which they did. Of course, should the earnings increase, it would be very easy to restore the rate to the original amount, and the suggestion of such a move would, at any time, be a good argument for an upward movement in the stock. There is little question but that some of the recent heavy selling was based upon pretty definite information as to what would be done at this meeting, and now that this question is out of the way it would not be at all surprising if there should be quite an advance in the quotations of the securities of this corporation.

While it must be admitted that the condition of the iron market is not at all satisfactory, the announcement made this morning that the blast furnace operators of the Central west had decided upon a 25 per cent. curtailment of production should have a very reassuring effect. In considering this question it must be borne in mind that the decrease in consumption of this product is not due altogether to financial difficulties, but largely to the labour troubles; consequently, if these can be settled up, and present appearances are that they will soon be, the renewed demand for structural and other classes of iron would be very great and probably sufficient to absorb the full output of the furnaces.

Financial and commercial disturbances appear to originate in the East and travel West. Disturbances of this character in Paris and Berlin are pretty sure to be followed by more or less trouble in London, and subsequently in New York, and so on to the West. If this rule holds good at the present time, the troubles at this centre should be pretty nearly over, while some of the western contingent who have claimed so loudly that the trouble was all in Wall Street may find that the pinch comes nearer home later on. Of course, the surety of the resultant depression will depend upon a variety of circumstances; in some localities it will be sharp, while on the Pacific Coast, with the developing oriental trade it should be at a minimum. A study of this subject may afford some clue to the future action of the stock market.

So far, the record of failures in the United States for the nine months just ending, shows a decrease of 500 in the number of failures, but an increase of some \$16,248,365 in the amount of liabilities, the inference being that the smaller concerns are in a better position than some of the larger ones.

Now that the Steel dividend is out of the way, the only unsettled question would seem to be the decision in the Northern Securities matter, and this is likely to come at any time. The opinion of many shrewd lawyers is that this decision will be favourable to the Northern Securities Company, should it not be the adverse influence upon the market is quite likely to be pronounced.

The October disbursements of this centre are said to have been \$95,000,000, or about \$1,000,000 more than at the same time last year. This is most gratifying, and the reports now being made show that the companies making them are all in good condition, and most of them have materially strengthened their position. The Reading

statement shows that the gross receipts of the three companies was \$62,140,743, an increase of \$1,136,339 over the previous year, and that the net earnings were \$5,197,782. This makes the surplus with the amount brought down from last year \$8,797,623. The increase in the returns from the coal traffic was \$1,071,278.62, of 8.8 per cent., while the returns from the merchandise traffic increase \$1,531,882.62, or 13.88 per cent. This is a very gratifying statement and shows that the merchandise business is making steady progress, and that in time it will offset whatever decrease may occur in the coal traffic.

The Erie statement is another good one and shows an increase of nearly \$3,000,000 in the net earnings of the Company. The total gross earnings were \$45,830,413.32. The ratio of expenses to earnings which, in the previous year had been 68.29, fell to 65.30 per cent.; allowing for the dividends upon the Preferred Stocks, these figures would show about 4.51 per cent. for the Common Stock.

The statement of the New York Central, however, is disappointing. The gross earnings were \$77,605,777, an increase of \$6,701,909 over the previous year. The operating expenses were \$53,479,314, an increase of \$6,595,825 over 1902, so that the net earnings of \$24,126,463 only show an increase of \$106,084 over last year. The certainty is very disappointing, for the Central has not had the difficulties to contend with that some of the other roads have had.

Amalgamated Copper has been the disturbing element in the market to-day, starting at 41½ it has sold down about 3 per cent., and has been a drag all day, for now that the mystery regarding the Steel dividend is passed, the market was inclined to go up. The rumour appears to be that the dividend will be passed, but the meeting to determine this will not be held until October 22.

The market has been stagnant most of the day and closes irregular and heavy.

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TORONTO LETTER.

The Second Island Fire—The Soo Troubles—Farm Risks Coming into Favour Again—Important Agency Appointments.

DEAR EDITOR,—The second and more disastrous fire at the Island last month which occurred just after sending my last letter to you, has emphasized the great need of a steam fire tug to protect both sides of our harbour. The Toronto Ferry Company suffers seriously by the destruction of so much of their property, and the general consequence is that rate-payers and others are agitating for the building of a fire boat before another business season opens. I believe our Fire Chief still adheres to his first opinion, which was against the project, mainly on account of the cost of maintenance, if not first cost. It is likely that under pressure the Toronto Fire and Light Committee will be forced to take up and consider this proposition once more. It is very certain that a fire boat at this last fire would have saved much of the property destroyed.

The threatened troubles at the Soo seem to have been quieted as much by the common sense, prudence and watchfulness of the good people up there as by any other factor. Well aware as all the citizens must have been, that the reputation of their town would be much hurt by any acts of lawlessness, they promptly took all possible pains to prevent such an issue. The little spindly and window breaking indulged in by a few turbulent spirits was the worst that happened.

The prompt despatch of a small force of our regulars from Toronto was simply a demonstration, and the de-