Investments and the Market

Abitibi Paper Had Good Year—Riordon Company's Position Strengthened — Strike Affected Crow's Nest Pass Coal Output—Canadian Fairbanks-Morse Earnings Lower—Increase in Winnipeg Railway Fares Supported—Nipissing Mines in Strong Position

Polsons Iron Works, Ltd.—Pursuant to a judgment by the Supreme Court of Ontario, dated March 19th, 1919, tenders are being invited by the Toronto General Trusts Corporation until May 1st, 1920, for the purchase of the properties and assets of the company at Toronto. The buildings on the property are valued at $160,000.

Nova Scotia Tramways and Power Co.—The annual statement of the company for the year 1919, shows net earnings of $211,510. During the year car mileage was increased 432,227 miles, or 40 per cent., while the per mile car earnings were 33.2 cents, as compared with 39.3 cents in 1918, because of the increased number of miles operated. The average fare in Halifax is 4.3 cents per passenger, and the legislature will be asked to authorize an increase. The gross earnings of the system were $309,813, made up as follows: Railway, $70,018; light and power, $214,450; gas (deficit), $11,985; steam heat, $18,377; miscellaneous earnings, $2,559; revenue interest, $16,392. Taxes amounted to $98,303.

Canadian Fairbanks Morse Co.—The financial statement of the company for the year ended December 31, 1919, shows earnings for the year of $625,150, as compared with $1,310,597 in 1918. Balance of profits, before dividends, was $532,069, as against $800,098 for the preceding year. Total profit and loss surplus is $2,076,607, compared with $2,651,037 in 1918.

In his report, President Fuller says: "The volume of business in our sales department shows a decrease of approximately 15 per cent. from the preceding year, business being extremely quiet in the first few months of the year, but it improved rapidly as the year went on, and the amount of unfilled orders on our books at the end of the year was greater than ever before in the history of the company. All of our government contracts were completed and settled for during the year, and the accounts and bills receivable appearing on our books are all of the usual character reflecting our current business."

Black Lake Asbestos Co.—A special meeting of the company was held on April 7, and shareholders decided not to move the office of the company from Toronto to Montreal. The proposed change had hinged entirely on the expectation that J. A. Jacobs, of Montreal, would be able to complete his agreement to buy 10,000 shares of stock and $200,000 of bonds, but as the courts have declared invalid the agreement with him to that effect there was no option for the shareholders but to drop the proposal for the time being.

Future developments in connection with the company are uncertain, except that the shareholders present were informed that there are at present no other negotiations in progress. That something of that kind may develop, however is inferred from the action taken at the meeting, when a committee was appointed to represent the shareholders and bondholders and co-operate with the directors in connection with any future negotiations for possible sale of control of the company. This committee is as follows: John B. Kay, C. E. A. Goldman and D. J. McDougald.

Winnipeg Street Railway Co.—Evidence in support of the company's application for permanently increased fares, was given on April 9 last, by Prof. George Eberle, consulting economist of Wisconsin, before the Public Utilities Commission. He contended that present street car fares are insufficient to provide an adequate return on the investment in the Winnipeg Electric Railway Co., and that any further wage increases will make a material difference in the street car fares. He showed that in 1919 58,000,000 passengers were carried on the street railway. For 1920 it is estimated that the company will carry 65,000,000 passengers, and accepting the figures of the commission as to the value of the street railway, said that the average cost per passenger in 1920, in order to pay all operating costs and provide a fair return of 8 per cent. on the investment, would be 6.14 cents. That would have to be the fare if a fair return was provided for. The present average fare, it was stated, was 5.45 cents.

Prof. Eberle added that the average cost per passenger of 6.14 cents did not take into account any further increase in wages to employees. If further increases are granted, he said, the average cost would be higher and that in return would bring the fare higher.

Consolidating Mining and Smelting Co., Ltd.—The financial statement of the company, covering a period of 15 months from September 30, 1918, to December 31, 1919, shows a deficit of $489,789, as compared with a deficit of $212,152 in the previous twelve months. This further reduces profit and loss balance, and at December 31 last it stood at $1,658,334, as compared with $2,143,148 at September 30, 1918. Sales during the period amounted to $9,761,005, as against $9,780,565 in the preceding year, while total revenue in the fiscal period under review amounted to $13,002,498, as compared with $12,784,985, as shown in the preceding report. The balance sheet reveals total current assets amounting to $5,216,144, compared with $4,625,751 in the previous statement, while total current liabilities were $4,674,704, compared with $4,474,350. This leaves surplus current assets over current liabilities (net working capital) of $541,440, as compared with only $151,401 at the end of the 1918 accounting period. Among the liabilities a bond debt is included for the first time, this being $3,000,000 of bonds issued about a year ago. This also resulted in a charge of bond interest of $105,000. Bank loans rose, while reserves are higher.

Riordon Pulp and Paper Co.—The annual statement of the company for the year ended December 31, 1919, shows profits of $2,591,796, as compared with $2,218,376 at the end of the previous year. Earnings from operation, after deduction of all expenses of manufacturing and administration and selling, less provision for exhaustion of timber limits, amounted to $950,586, as compared with $1,017,383 in 1918. After adding $859,540 for income from investments and interest, the amount was $1,810,126, as compared with $1,443,046 for the previous year. Dividends were paid during the year to the amount of $534,073. A comparison of the balance sheet shows the increased strength of the company since the 1918 statement was issued. Some of the principal items are:—

Properties	$ 7,569,405	$ 7,363,787
Investments	5,104,676	635,475
Inventories	2,016,834	2,416,061
Cash	257,148	16,038
Total assets	18,262,029	12,779,354
Current assets	4,824,520	2,819,379
Current liabilities	3,248,425	2,563,965
Mortgages over properties purchased	153,000	208,000

London Street Railway.—The decision of the late Chief Justice Falconbridge declaring the increased by-law invalid, has been reversed by the decision given in the Appellate Division at Osgoode Hall, Toronto, declaring that the London City Council had the power to pass a by-law to permit the