

RAILWAY FINANCE, MEETINGS, ETC.

Atlantic and Lake Superior Ry. Co.—An action has been instituted on the part of the company by C. N. Armstrong to recover \$1,575,000 from the Dominion Government for loss of credit, etc., owing to the failure of the Government to carry out an alleged agreement to guarantee the company's bonds. The matters in dispute date back prior to 1895.

The court has reserved judgment in the action of the A. and L.S. Ry. vs. Heney & Smith. (June, pg. 189.)

British Columbia Electric Ry. Co.—Earnings and expenses for April:—

GROSS EARNINGS.	1902.	1903.	Increase or Decrease.
Railway—Vancouver division	\$9,434	\$12,022	\$2,588+
Victoria "	7,943	8,520	577+
Westminster "	7,783	9,395	1,612+
Lighting—Vancouver division	11,116	15,533	4,417+
Victoria "	5,490	7,121	1,631+
	41,766	52,591	10,825+
Less working expenses	29,947	32,951	3,004+
	11,819	19,640	7,821+
Renewal funds	3,458	4,222	764+
Net income	8,361	15,418	7,057+
Aggregate gross earnings, July			
1, 1902, to April 30, 1903	\$46,879	\$59,780	\$12,901+
Aggregate net earnings, July			
1, 1902, to April 30, 1903	\$158,890	\$184,253	\$25,363+

The Co. has issued from its London, Eng., office a statement showing the operating profits for the 12 months ended Mar. 31, in comparison with those of previous years. The reports are now made up to June 30 in each year, and the statement is issued for the information of shareholders. The following figures are extracted from the statement:

	1902-3.	1901-2
Operating profits	\$51,928	\$45,299
London office and general charges	3,500	3,408
Debt interest	11,142	11,250
Preference interest and dividend	10,750	10,000
Balance	26,536	20,641
Debt and share capital	717,600	650,000

Up to June 30, 1902, £5,882 had been written off for preliminary expenses, and £33,225 had been transferred to the various reserve and renewal accounts. The £3,500 for London office and general charges is an estimate, and the £717,600 of debt and share capital does not include £175,000 of Vancouver Power Co. debentures. (June, pg. 189.)

Brockville, Westport and Sault Ste. Marie Ry. Co.—The accounts of W. H. Cole, Receiver, have been passed by the Master at Brockville, and the receivership has terminated. The line is being operated by the reorganization syndicate, which is applying to the Dominion Parliament for incorporation as the Brockville, Westport and Northwestern Ry., Westport having been added at the desire of residents on the line. (May, pg. 153.)

Calgary and Edmonton Ry.—Net earnings for April \$42,616.11, against \$33,909.55 for April, 1902, making for four months ended April 30, \$100,748.07, against \$125,052.76 for same period 1902.

A meeting of shareholders has been called for July 6 in Toronto, to ratify the lease of the line to the C.P.R. Co. for 99 years. (June, pg. 189.)

Canadian Northern Ry.—Gross earnings:—

	1902-03.	1901-02.	Increase.
July	\$132,300	\$ 87,200	\$45,100
Aug.	130,900	97,000	33,900
Sept.	209,300	103,300	106,000
Oct.	190,200	120,610	69,590
Nov.	259,800	119,142	140,658
Dec.	202,300	129,918	72,382
Jan.	154,700	102,067	52,633
Feb.	147,845	100,524	47,321
Mar.	174,700	116,900	57,800
April	108,125	109,924	88,201
May	240,600	119,300	121,300
	\$2,040,750	\$1,214,885	\$825,865

Working expenses for Mar., \$157,600; net earnings, \$40,525, against \$24,750 for Mar., 1902; net earnings for 10 months, \$595,366, against \$422,697 for same period, 1901-02.

Press reports recently quoted D. D. Mann as stating that the profits of the C.N. Ry. for the past year, over and above all working expenses and interest charges were \$600,000.

The proposal of the Dominion Government to guarantee the bonds of the company for the purpose of securing the extension of the line to Edmonton, Alta., and towards Prince Albert, Sask., has been approved by the House of Commons. The resolution passed sets forth that the aid is in the nature of a guarantee of the principle and interest of the first mortgage bonds and debentures of the company to the extent of \$13,000 a mile of the line, interest on the bonds to be at the rate of 3% a year, the principal to be payable in 50 years. The bonds are to be secured by mortgage forming a first charge upon the railway. With respect to that portion of the line from the end of the Gilbert Plains branch to the westerly boundary of Manitoba, a distance not exceeding 65 miles, the mortgage shall be a first charge to the extent of only \$10,000 a mile, but shall also rank next after the charges already created, but the mortgage shall rank next after a first charge of \$13,000 a mile on that part of the Prince Albert branch. The mortgage shall also rank after all existing charges on all lines now in operation and other properties owned by the company. The Governor-General-in-Council shall approve of all securities given by the company, but upon the guarantee being signed on behalf of the Government it shall become liable for payment of the principal and interest of the securities and interest guaranteed, such payments to be a charge upon the Consolidated Revenue Fund. All rates upon the railway shall be under the control of the Government or such railway commission as may be appointed; also the Government or the commission may have power to grant to other roads running rights over any parts of the line aided upon such terms as may be considered just. It shall also be unlawful for the C.N.R. to sell or lease any part of its lines to the C.P.R., or make any agreement with that road for the pooling of rates, except with the consent of the Government. Any monies paid by the Government, under its guarantee, shall be accounted as a discharge of the Government's liability, but shall not relieve the C.N.R. from its securities, but the Government shall to the extent of such payment, be placed in the same position as all other holders of the securities of the road.

Chateauguay and Northern Ry.—The lease of the charter and all rights, property, etc., of this company to the Great Northern Ry. of Canada for 99 years, was ratified at a meeting of the shareholders of the G.N. Ry. Co. held in Quebec June 2, and the lease signed. (June, pg. 189.)

Chignecto Marine Ry. Co.—The annual application for compensation to the bondholders of this company, which expended \$4,000,000 upon an endeavor to construct a railway to carry vessels across the narrow strip of land separating the head of the Bay of Fundy from Northumberland strait, came before the House of Commons June 10. The Finance Minister stated that the Government might be prepared to do something as an act of grace, but not as a right. Press reports state that it is understood that a vote of \$500,000 will be asked for in full satisfaction of all claims, the Government getting control of the right of way, etc., which the company had obtained. A report from London, Eng., states that after the deduction of liabilities, the proposed vote will mean a return to the security holders of £14 s. 0d. on each £100 of debenture stock; £7 2s. 6d. on each £100 of preference stock, and £1 8s. 6d on each £100 of ordinary stock. (July, 1902, pg. 230.)

Columbia and Western Ry.—The special committee appointed by the B.C. Legislature to investigate the granting of an order-in-council dated Sept. 4, 1901, giving the company certain lands, has presented its report. The evidence given showed that there had been some dealings in connection with the matter, and the Attorney-General (D. M. Eberts) and the Commissioner of Lands and Works (W. C. Wells) were dismissed from office by the then Premier, Colonel Prior. The Committee reported that all the circumstances of the case justified the order-in-council cancelling the grant, so far as it related to the "deficiency blocks," in regard to which the allegations were made. (June, pg. 190.)

Dominion Atlantic Ry.—Gross earnings for May, \$69,300, against \$67,709 for May, 1902; making for five months ended May 31, \$284,900, against \$302,492.

Grand Trunk Ry.—The Minister of Finance recently stated in the House of Commons, in reply to a question, that at the time of Confederation the G.T.R. owed the Province of Canada \$25,607,393, which amount was taken over by the Dominion as an asset. This amount still stands on the balance sheet, no payment having been made on account of principal or interest by the G.T.R.

The receivership of the Detroit and Toledo Shore Line will be discharged July 1, when the line will be taken possession of by the G.T.R.

The G.T.R. Co.'s act authorizing the increase of the 4% guaranteed stock to £10,000,000 has passed the Senate, and on being assented to by the Governor-General will become law. (June, pg. 190.)

Hamilton Cataract Power, Light and Traction Co.—At the recent session of the Ontario Legislature an act was passed confirming the incorporation of this company under the Ontario Companies' Act, and the contracts made taking over the undertakings of the Hamilton Electric Light and Cataract Power Co., which owns the Hamilton Street Ry., the Hamilton Radial Electric Ry., and the Hamilton and Dundas St. Ry.

International Transit Co.—An act was passed at the last session of the Ontario Legislature authorizing the Lake Superior Power Co. to acquire the stock, property and assets of a number of the Clergue companies at Sault Ste. Marie, Ont., including the International Transit Co. This company operated under the Ontario Companies' Act until recently, when an act was passed by the Legislature confirming the letters patent.

London, Ont., Street Ry.—Gross earnings:

	1902-3.	1901-2.	Increase or Decrease.
Dec.	\$15,041.80	\$12,947.48	\$2,094.32+
Jan.	12,132.54	10,117.60	2,014.94+
Feb.	10,716.42	8,894.78	1,821.64+
Mar.	11,533.68	10,233.21	1,300.47+
Apr.	11,818.06	9,941.94	1,876.12+
May	13,144.76	12,233.68	911.08+
	\$74,387.26	\$64,368.69	\$10,018.57+

Manitoba Ry. Co.—Notice is given that a first mortgage dated June 1, 1903, from the Manitoba Ry. Co. to H. A. Fabian, of St. Paul, Minn., Railway Official Trustee, has been deposited with the Secretary of State at Ottawa. (June, pg. 191.)

Montreal St. Ry.—Earnings and expenses for May:—

	1903.	1902.	Increase. or Decrease.
Passenger earnings	\$170,777.14	\$173,901.58	\$ 3,124.44-
Miscellaneous earnings	2,209.48	4,506.57	2,297.09-
Total earnings	172,986.62	178,408.15	5,421.53-
Operating expenses	112,140.52	86,780.45	25,360.07+
Net earnings	60,846.10	91,627.70	30,781.60-
Fixed charges	20,613.74	18,672.42	1,941.32+
Surplus	40,232.36	72,955.28	32,722.92-
Expenses % of car earnings	65.66	49.90	