

## Pere Marquette Railway Reorganization.

The order dismissing the receivers who have had charge of the Pere Marquette Rd.'s affairs, for some considerable time, was signed, June 14, by U.S. District Judge Tuttle at Detroit, Mich. The company was reorganized during the past winter, the plans of reorganization having been approved by the state and federal authorities. The intervening period has been devoted to putting reorganization plans in operation and winding up the receivership affairs.

One of the most important proceedings in connection with the receivership and reorganization was the investigation into "the character of the service, physical condition of the equipment and property, financial history and transactions and practices of the P.M.R.," instituted April 24, 1914, by the Interstate Commerce Commission. It subsequently appeared that many of the transactions of the company, after July 1, 1904, were closely interwoven with the affairs of the Cincinnati, Hamilton & Dayton Ry., consequently that company's affairs were investigated also. The affairs of the latter company have no special interest for Canadian railway men, and those of the P.M.R. are only interesting in so far as they are concerned with the purchase and operation of the Lake Erie & Detroit River Ry.

The Pere Marquette Rd. was a consolidation of three lines in the U.S., brought about in 1900, and the Lake Erie & Detroit River Ry. was acquired in Aug., 1902, from Hiram Walker & Sons, of Walkerville, Ont., who were represented in the transaction by F. H. Walker. The Canadian railway had been offered to one of the combinations of capitalists which were dealing with the P.M.R. affairs, in Feb., 1902, for \$6,000,000, but the offer was declined. Another group of capitalists dealing with the P.M.R. control acquired the entire capital stock of the Canadian line, 14,000 shares, at \$205 a share, Hiram Walker & Sons to receive in payment therefor 20 year collateral trust gold bonds of the Pere Marquette Rd. for \$2,870,000, bearing interest at 4%, the contract providing that 3% only was to be paid during the first two and a half years. The Canadian line was to be free from floating debt when the deal was consummated. This contract was finally completed in September, with the National Trust Co., Toronto, as trustee for the \$2,870,000 of P.M.R. bonds, and with the P.M.R., instead of the group of capitalists who had negotiated the deal, as the purchasers of the L.E. & D.R.R. stock. The Canadian company had at the time of the sale outstanding \$3,000,000 of 5% gold bonds which the P.M.R. was to acquire at \$103½. The P.M.R. assumed the obligation by resolution at a special meeting, June 9, 1903, accomplishing this undertaking by the issue of \$3,000,000 of its own 4½% 30 year gold bonds, secured on the L.E. & D.R.R., and guaranteed as to principal and interest by the P.M.R. The arrangements with the Canadian line were completed in Oct., 1903, but the contract was not signed until December of the same year, the prime considerations being: "1. The payment of the interest on the \$3,000,000 bonds of the L.E. & D.R.R., and all other fixed charges and operating expenses. 2. The setting apart out of the earnings of the L.E. & D.R.R., as conducted by the P.M.R., of the amount of interest on the \$2,870,000 bonds given in payment of the L.E. & D.R.R. stock, being

a sum to equal a dividend of 6.15% on the capital stock until June 30, 1915, and a dividend of 8.20% thereafter."

These facts are all set out with considerable detail in an Interstate Commerce Commission report issued recently. The report then sums up the matter of the P.M.R. Canadian connection by pointing out that it secured trackage rights for freight traffic only over the Michigan Central Rd. to the Niagara frontier; that the operations over these lines are accounted for as a part of the operations of the whole system; that officials claim the Canadian lines pay their own way, although it is a matter of controversy between the Canadian and United States bondholders. The accounts, as written into those of the P.M.R., showed the cost of road, with final adjustments to be \$4,659,891; offsetting liabilities: capital stock, \$1,400,000; first mortgage 5% bonds, \$3,000,000; 5% equipment bonds, \$112,000; current liabilities, \$147,891; total, \$4,659,891. The report concludes: "The road's income and profit and loss transactions, beginning prior to Jan. 1, 1892, and including the business of the London & Port Stanley Ry., resulted in an accumulated surplus of \$193,468.13 at the end of 1901. In 1902 there were extraordinary charges made to both income and profit and loss, including \$13,856 paid in dividends, and these left the road on Dec. 31, 1902, with a deficit of \$13,955.57. Those dividends, according to the records available, were the first ever paid. In 1903, under P.M.R. control, gross rev-

enues increased from the \$640,018.92 of 1901 to \$968,875.26, practically 50%, whereas expenses increased less than 30%. The result permitted payment of the bond interest of \$150,000 and stock dividends of \$86,100, all according to contract, it will be observed, and left a surplus of \$12,003.51."

**Barbed Wire Along Railway Lines.**—The Board of Railway Commissioners passed general order 196, June 29, as follows: Re sec. 254 of Railway Act and complaints filed with the board against the use of barbed wire in fences erected and maintained by railway companies in compliance with the requirements of the said section, it is ordered that in municipalities where barbed wire is prohibited railway companies are forbidden to use barbed wire in the future construction or reconstruction of fences along their respective lines; provided that barbed wire may be strung along the top of woven wire fences in stock range country; barbed wire may be strung along the top of closed board fences to prevent trespassing; barbed wire may be used along the bottom of a woven wire fence, where it is necessary to fence against pigs.

**Central Ry. of Canada.**—The company's solicitors in Montreal, presented a petition to the Court of Exchequer, June 28, asking for an order confirming an arrangement between the company and its creditors which had been filed with the Court, May 3, 1916. The court fixed Sept. 5, for hearing the application, and has directed any person desiring to oppose the application to file particulars on or before Aug. 28.

## Canadian Pacific Railway Honor Roll 25.

Adams, John	Waiter	Montreal	Died of wounds
Armstrong, Robert G.	Hostler	Coronation	Wounded
Bailey, Edgar E. E.	Apprentice instructor	Ogden	Wounded
Barlow, Thomas H.	Clerk	Winnipeg	Wounded
Beattie, Wilfred G.	Clerk	Montreal	Wounded
Bell, George E.	Loco. man	British Columbia Dist.	Killed in action
Brown, Joseph A.	Clerk	Winnipeg	Wounded
Buchanan, George	Loco. fireman	Hardisty	Wounded
Candy, Ernest J.	Loco. fireman	British Columbia Dist.	Presumed dead
Chambers, William L.	Clerk	Winnipeg	Killed in action
Chrisp, Alfred John	Cashier	New Westminster	Wounded
Clark, Samuel	Carpenter	West Toronto	Wounded
Coles, Jack McI.	Storekeeper	Swift Current	Wounded
Crosby, Thomas G.	Agent	Francis	Wounded
Currie, James	Truck repairer	Vancouver	Wounded
Ferguson, John	Loco. fireman	Fort William	Presumed dead
Hamilton, Robert	Laborer	Strathcona	Presumed dead
Harrison, Jonathan	Loco. fireman	Red Deer	Wounded
Hawkins, Kenneth B.	Loco. man	New Brunswick Dist.	Killed in action
Heaton, Philip H.	Clerk	Moose Jaw	Wounded
Hickey, George F.	Trainman	London	Wounded
Johnson, Reginald L.	Electrician	Revelstoke	Killed in action
Keach, Ernest F.	Hammer boy	West Toronto	Wounded
Keir, D. B.	Cook	Calgary	Wounded
Kemp, Maurice T.	Steward	Toronto	Shell shock
Latimer, Archie	Yardman	Moose Jaw	Killed in action
Loewen, John	Apprentice	Nelson	Killed in action
McHardy, Andrew	Loco. foreman	Neudorf	Wounded
McIntyre, Robert L.	Conductor	British Columbia Dist.	Wounded
MacLaren, David L.	Clerk	St. John, N.B.	Wounded
Malpass, Wilfred A.	Porter	Vancouver	Wounded
Marks, Frederick	Car repairer	West Toronto	Killed in action
Masson, Robert	Cashier	Wetaskiwin	Killed in action
Miller, Frederick	Foreman	Winnipeg	Wounded
Millican, William	Loco. fireman	Fort William	Killed in action
Moore, James	Waiter	B.C. Coast S.S. Service	Wounded
Morris, David	Clerk	Lethbridge	Wounded
O'Flaherty, Lawrence	Loco. fireman	Kenora	Died of wounds
Oliver, Frederick C.	Forester	Montreal	Gassed
Parry, John	Bridgeman	Winnipeg	Wounded
Phillips, John O.	Clerk	Calgary	Wounded
Rainy, George E.	Loco. fireman	Winnipeg	Killed in action
Reynolds, William	Waiter	Winnipeg	Wounded
Roy, Charles M.	Machinist	Winnipeg	Wounded
Scott, Henry L.	Assistant Foreman	Montreal	Wounded
Stewart, William D.	Carpenter	British Columbia Dist.	Wounded
Stingel, Charles E.	Wiper	Fort William	Killed in action
Tyrrill, Roy W.	Messenger	Brantford	Wounded
Wallis, Frederick	Helper	Winnipeg	Killed in action
Watts, Arthur S.	Wiper	Arcola	Wounded
White, William	Clerk	Montreal	Wounded
Wilson, Alexander C.	Brakeman	Moose Jaw	Presumed dead
Young, Charles	Helper	Winnipeg	Presumed dead
Young, James F.	Assistant Agent	Manitou	Wounded

Up to July 3 there were shown on honor lists:

Killed, 433; wounded, 940. Total, 1,363.