

EARNINGS OF BELL TELEPHONE COMPANY

Show Increases—Assets and Liabilities—New Bond Issue Authorized

An increase of \$1,161,456 in gross and of \$222,370 is shown in net earnings for the year of the Bell Telephone Company of Canada.

Accompanying the increase in net revenue, however, was also an increase in the capital investment amounting to \$517,110 in stock and \$1,750,000 in bonds. After deduction of bond interest, the surplus available for dividends showed a slightly decreased percentage to the capital stock, being 11.1 per cent. on the average paid-up capital of the year, as compared with 11.4 per cent. in 1912. The net earnings in excess of bond interest and dividend requirements for the year were \$449,133, as compared with \$425,835 in 1911. From this surplus the directors announced that \$5,358 had been charged off patent account and \$100,000 added to employees' benefit fund, leaving a balance to be carried to surplus account, which on December 31st last amounted to \$429,189.

Comparison with Previous Year.

The comparisons with the showing in 1911 are as follows in the statement of earnings, etc.:

	1912.	1911.
Gross earnings	\$7,638,304	\$6,476,848
Deduct:—		
Oper. exp.	2,647,862	Not in detail
Maintenance	1,403,339	" "
Depreciation	1,535,000	" "
Taxes	171,917	" "
Total	\$5,758,118	\$4,819,033
Net earnings	1,880,185	1,657,815
Bond int.	282,091	231,979
Balance	\$1,598,095	\$1,425,835
Dividend	1,148,960	1,000,000
Surplus	\$ 449,133	\$ 425,835

The balance sheet has been subject to changes in form. The available comparisons are as follows:—

	1912.	1911.
Assets.		
Real estate	\$ 2,367,173	\$ 2,133,865
Plant	24,392,094	20,531,327
Supplies, etc.	1,284,181	770,413
Cash, etc.	256,117	434,546
Bills rec.	657,988	534,972
Stocks, etc.	2,730,051	2,685,508
	\$31,687,607	\$27,090,644
Liabilities.		
Stock	\$15,000,000	\$13,482,890
Bonds	6,649,000	4,899,000
Accts. payable	715,356	
Accrued liab.	395,417	
Unearn. rev.	45,894	120,415
Empl. ben. f'd.	180,000	
Reserves	8,272,750	7,469,496
Surplus	429,189	
Sund. cred.		696,975
Div. due Jan.		250,000
Susp. acc.		171,865
	\$31,687,607	\$27,090,644

Provides for Bond Issue.

Two new directors were added to the board, Mr. U. N. Bethell and Mr. C. F. Sise, jr. The other directors were re-elected, and the complete board now comprises: Messrs. C. F. Sise, Theo. N. Vail, Robert Archer, William R. Driver, Hugh Paton, Charles Cassils, H. B. Thayer, L. B. McFarlane, Z. A. Lash, K.C., U. N. Bethell, C. F. Sise, jr., and Hon. Robert Mackay. The officers, headed by Mr. C. F. Sise, president, and Hon. Robert Mackay, vice-president, were subsequently re-elected.

Following the annual meeting the shareholders authorized the directors to issue from time to time \$3,750,000 bonds. Mr. C. F. Sise, the president, in explaining the resolution dealing with the issue, stated that there was no immediate intention to take advantage of the authority asked, but the directors wished to have the power to make further issues according to the demands of the company's business.

Phones Operated by the Company.

At the close of 1912, completing the thirty-third year of the company's existence, it had in operation a total of 192,748 telephones, operated through 456 exchanges; it owned

and operated 64,321 miles of long distance wire on 9,156 poles, and 2,784 miles of wire in underground and submarine cables.

The following statistics of the growth of the system in five-year periods are interesting:

	Exchanges.	Subs.	Long Distance Wire in Miles.
1885	126	10,200	3,000
1890	212	20,437	8,228
1895	345	30,908	14,851
1900	343	40,094	21,350
1905	526	82,351	37,082
1910	508	138,370	54,133
1912	456	192,748	67,105

In addition to its own immediate business, the company now has arrangements for exchange of business with 474 local organizations serving over 54,942 subscribers. With these added to the stations owned by the company itself, the total number of stations served by it was 248,085, an increase of 42,091 in the year.

ELEVATOR COMPANY HANDLED MUCH GRAIN

The Saskatchewan Co-operative Elevator Company has handled through its elevators 10,000,000 bushels of grain of the 1912 crop of Saskatchewan. Eight million bushels of grain have also been handled on commission by the Winnipeg office of the company. This office is operated by the company for the direct benefit of the farmers of Saskatchewan and a leased wire between the Winnipeg office and the Regina office adds greatly to the service rendered. It is expected that fully 3,000,000 bushels of grain additional will be handled before the time arrives to deal with the 1913 crop.

There are at present 139 elevators in operation with a storage capacity, all told, of 4,250,000 bushels. That the system is working well is evident from the fact that at the present time the company has on file applications for over 400 elevators in addition to those now operating. Owing to the high prices of lumber now existing and the scarcity of it, it is not likely that over 50 elevators will be erected by the company during 1913.

PETROLEUM PRODUCTION IN ONTARIO

The expansion of the Imperial Oil Company's activities has drawn attention to Ontario's petroleum sources. The latest report of the provincial bureau of mines says regarding the petroleum supply:—"The production of petroleum in Ontario continues to decline. The quantity of crude oil yielded by the wells of Lambton and Kent counties, and those in the smaller outlying pools, amounted to 10,102,081 imperial gallons, as compared with 11,004,357 gallons in 1910. These figures are supplied by the department of trade and commerce, Ottawa, and are compiled from the returns made by the claimants for the bounty of 1½ cents per imperial gallon paid by the Government of Canada on crude petroleum produced in Canada. Statistics of production by districts are kindly furnished by Mr. W. J. Harvey, supervisor of crude petroleum bounties, Petrolia, as follows:—

	Barrels.
Lambton	184,450
Tilbury	48,707
Bothwell	35,243
Dutton	6,731
Onondaga	13,501
Total	288,633

There was only one change in price during the year, namely, an advance on September 15th from \$1.22 to \$1.24 per barrel. Adding to this the bounty of 52½ cents per barrel, the average return for the year to the producer was \$1.75 per barrel.

More crude petroleum was treated at the refining works than in any previous year. There are two refineries, one owned by the Imperial Oil Company, Sarnia, and the other by the Canadian Oil Companies, Limited, Petrolia. Much of the larger part was, as for many years it has been, imported from the United States. The total quantity distilled was 38,632,504 imperial gallons, of which 28,244,913 gallons was American, and 10,387,591 gallons Ontario crude.

The Great West Permanent Loan Company will apply to the present session of the Dominion Parliament for an act to amend an act incorporating the company, such amendment giving the company power to invest its funds in trust and loan company stock, bonds and debentures.