

INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

British Columbia Copper Company.—Mr. Newman Erb, chairman of the board of directors, states that orders have been issued for the complete resumption at the company's smelting plant, and added that it would be operating in full on or before July 15. He explained that it would be possible to start at once but for the fact that it will take until the time mentioned to fill the company's ore bins and get a good supply of coke to insure continuous work. The company shut down operations in the early part of August last year because of the low price of copper and would have resumed sooner but various obstacles were encountered which had to be overcome.

Mr. Erb stated that the outlook for the company was good. He pointed out that there had been located, up to June 1, 7,000,000 tons of 1.7 per cent. ore, and between 3,000,000 and 4,000,000 tons of 1.2 per cent. ore. This is not all the tonnage available to the company by any means, because the drill holes are only put down 600 or 700 ft., and figures given cover the actual tonnage known to be in the properties.

Algoma Central Terminals, Limited.—In a circular to the shareholders it is stated that the company was unable to pay the interest due on February 1st last on its 5 per cent. 50-year first mortgage gold bonds, and in consequence of this default a meeting of the bondholders was held on February 22nd, at which a committee was appointed to represent the bondholders. The committee have had numerous meetings and interviews, with a view to arriving at a satisfactory settlement, bearing in mind the fact that the Terminals Company and the Algoma Central and Hudson's Bay Railway Company, who are the company's lessees, are to a very considerable extent dependent on each other. The information before the committee in its first deliberations led them to hope that the overdue interest would be paid on May 1st, but as time advanced it became apparent that this would require to be postponed further, owing to the railway company being unable to pay the rent due to the Terminals Company. It was finally decided by this committee that it was essential for the protection of the bondholders of the Terminals Company that an application should be made for the appointment of a receiver on their behalf. Mr. Kennedy, who addressed the meeting as director of the Terminals Company, has resigned from the board of the Terminals Company, as he was of opinion that the interests of the Terminals Company and the railway company were conflicting. Accordingly, an application was made to the Canadian courts for the appointment of Mr. D. M. McClelland, of Messrs. Price, Waterhouse and Company, Toronto (the nominee of the committee), as receiver, and they have been subsequently informed that his appointment has been duly confirmed. He has been requested to go into the position and make a report thereon as soon as possible. After this report comes to hand the committee will again communicate with the bondholders. With regard to the guarantee given by the Lake Superior Corporation, it was felt by them that a committee, consisting of representatives of the bondholders' committees of the Terminals Company, the railway company and the Algoma Steel Corporation should be appointed to go into this question as affecting all three companies. This committee has been formed and is causing enquiries to be made in Canada.

Ames Holden McCready, Limited.—The annual financial statement shows that after bond and interest charges the company had \$62,996 balance out of profits of \$215,672; \$44,093 was written off for bad debts and \$86,782 for depreciation, creating a deficit balance of \$67,879.

One quarterly dividend had been paid on preferred stock before the management ceased this distribution, adding \$43,750 to the deficit. With \$15,200 written off organization expenses, this brought the total deficit balance up to \$126,829. The surplus of the preceding year was \$157,714, so that there was reduction in the surplus carried forward of \$30,885. This compares with \$239,288 in the statement of 1913.

The president in his address devoted a good deal of attention to the recent parliamentary inquiry into army boots, and asserted that the company's good name had been cleared. With reference to business conditions, he said the outlook was not discouraging.

The profit and loss accounts for three years compare as follow:—

	1915.	1914.	1913.
Profits	\$215,672		
Bank interest	95,176		
Net profits	\$120,496	\$307,598	\$331,390
Bond interest	57,500	58,700	60,000
Balance	\$ 62,996	\$248,898	\$271,390
Bad debts	44,093	47,602	
Balance	\$ 18,903	\$201,296	\$271,390
Depreciation	86,782	20,000	25,817
Balance	*\$ 67,879	\$181,296	\$245,572
Preferred dividend	43,750	175,000	175,000
Balance	\$111,629	\$ 6,296	\$ 70,572
Organization expenses	15,200		
Balance	*\$126,829	\$ 6,296	\$ 70,572
Previous balance	157,714	**151,418	168,716
Surplus	\$ 30,885	\$157,714	\$239,288

*Deficit.

**After deducting \$86,769 written off for depreciation.

RAILROAD EARNINGS

The following are the railway earnings for the first three weeks in June:—

Canadian Pacific Railway.

	1915.	1914.	Decrease.
June 7	\$1,585,000	\$2,171,000	— \$586,000
June 14	1,623,000	2,158,000	— 535,000
June 21	1,619,000	2,185,000	— 566,000

Grand Trunk Railway.

	1915.	1914.	Decrease.
June 7	\$ 958,977	\$ 996,040	— \$ 37,063
June 14	949,313	1,000,639	— 51,326
June 21	989,072	1,042,646	— 53,574

Canadian Northern Railway.

	1915.	1914.	Decrease.
June 7	\$ 247,500	\$ 383,800	— \$109,300
June 14	268,600	353,100	— 84,500
June 21	278,900	406,100	— 127,200

The Canadian Northern Railway's statement of earnings and operating expenses for the month of May is as follows:—

	1915.	1914.	Inc. or dec.
Gross earnings	\$1,193,900	\$1,641,600	— \$447,700
Expenses	871,000	1,160,000	— 289,000
Net earnings	322,900	481,600	— 158,700
Mileage in operation	4,965	4,670	+ 295

The figures from July 1st, 1914, to May 31st, 1915, compare as follows:—

	1915	1914.	Inc. or dec.
Gross earnings	\$16,024,300	\$21,045,400	— \$5,021,100
Expenses	11,530,900	15,157,000	— 3,626,100
Net earnings	4,493,400	5,888,400	— 1,395,000
Mileage in operation	4,770	4,553	+ 217

The Canadian Pacific Railway's gross and net earnings for May were as follows: Gross earnings, \$7,261,496; working expenses, \$4,818,494; net profits, \$2,443,002.

For eleven months ending May 31st, 1915:—Gross earnings, \$91,353,176; working expenses, \$50,456,580; net profits, \$30,896,596.

In May, 1914, net profits were \$2,963,012, and for the eleven months ended May 31st, 1914, \$39,090,303. The decrease for May was \$520,010, and for the eleven months \$8,193,707.