AMERICAN & CANADIAN RAILWAY NEWS.

BALTIMORE AND OHIO.

The Company reports total income of $31,342,000 for the year ending June, an increase of $5,386,000. The Company has paid back to the National City Bank the $9,000,000 which it borrowed from that institution last April. The loan was to run for three months, and did not mature until 17th July, but its payment was anticipated by the Baltimore and Ohio. The loan was arranged to provide the railroad with funds while it was awaiting the receipt of the proceeds of the $27,500,000 of new common stock recently issued. Payment for the stock was to have been in instalments, but many of the stockholders paid for their stock in full at the time of subscription. The railroad company was, therefore, in possession of a much larger amount of cash than had been counted on, and this facilitated the repayment of the $9,000,000 loan.

CHICAGO PEORIA AND ST. LOUIS.

The semi-annual interest on the consolidated mortgage bonds of this railway, which fell due on 1st July, has not been paid. President C. E. Kimball has addressed a circular to the bondholders explaining that the payment of the interest has been postponed, because in the last year the debit balance of $97,103, reported in July, 1905, has been largely increased. Although the official announcement says that the payment of the interest has been postponed, suggesting that it may be paid later, steps are already being taken by the bondholders to protect their interests. The question of forming a protective committee has not been decided. The mortgage covering the bonds contains a six months' clause, which prevents the bond from being regarded as formally in default until the expiration of six months after the failure to meet the semi-annual interest. The bonds bear 5 per cent. interest, and the entire issue of $2,000,000 is outstanding. The Chicago Peoria and St. Louis's main line runs from Pekin to Granite City, Ill. It has a total of 255 miles of railway. The road is the successor of the Chicago Peoria and St. Louis and the St. Louis Chicago and St. Paul under a reorganisation plan put through in 1900.

NEW YORK NEW HAVEN AND HARTFORD.

The Company has declared the regular quarterly dividend of 2 per cent., and reports for the year ended 30th June, 1906:—

	1906.	1905.	1904.
Gross earnings	$53,000,000	$49,981,947	$48,282,909
Operating expenses	35,400,000	35,833,023	35,159,211
Net earnings	$17,600,000	$14,148,924	$13,123,698
Charges, &c.	6,450,000	7,440,872	7,028,942
Surplus for divs......	$11,150,000	$6,708,023	$6,094,756

WABASH.

Advices from Pittsburg state that the contract made by the Carnegie Steel Company with the Wabash Railroad about five years ago, whereby the Gould line secures 25 per cent. of the tonnage of the Carnegie mills, will become duly operative within the next few days, as the last rails on the new line of the Union Railroad, the Carnegie property, are laid. It is now predicted that an enormous tonnage will be moving over the Wabash lines in and out of the Carnegie plants. The main question now is the ability of the Wabash-Pittsburg terminal to handle the traffic. A conservative estimate of the annual tonnage, in and out-bound, of the Homestead, Duquesne, and Edgar Thomson Mills is 16,000,000 tons, of which 25 per cent. would be 4,000,000 tons. In addition, the Wabash is making good progress with its extension to the Clairton plant, which was acquired two years ago from the Crucible Steel Company. The contract made with Mr. Carnegie further provides for switching rights over the Union Railroad to reach industries connected with it, but not owned by the Carnegie Company. This includes the Westinghouse, American Steel and Wire, McClintock-Marshall, American Sheet and Tin Plate, and numerous other plants, though it is not to be presumed that the Pennsylvania and Baltimore and Ohio Railroads will further the interests of the Wabash in any way, or permit the taking away of their freight traffic without a struggle. The connection with the Carnegie Mills marks the final chapter of the entrance of the Wabash into Pittsburg. It has required five years to reach this stage, and though the Wabash has expended millions on its Pittsburg entrance, it has not yet handled a pound of the freight.

RAILROAD RECEIVERSHIPS.

The number of railways in the hands of receivers continues to decrease, the few that have been added to the list in recent years being more than offset by the number of receiverships that were ended by foreclosure or by friendly reorganisation without sale. In the first six months of this year only five short roads, with a total of 184 miles of lines, were placed in charge of the courts; while five roads, with 175 miles, were restored to their owners by sale, and another, having 34 miles completed, was found solvent and returned to the original company. No receivership has been established this year as a result of financial difficulties of recent origin, and no new insolvencies are in sight or apprehended at the present time; although for the future everything depends on the reasonable administration of the rate making and taxing power by state and national authorities. It is noteworthy that the only companies of any importance in the list of bankruptcies were the Toledo Railway and Terminal, and the Chicago Terminal Transfer, owning costly terminal properties in two large cities, Chicago and Toledo, but operating, practically, only switching lines; two great real estate and renting corporations which have proved unprofitable, not only on account of general conditions in the transportation business, but because the tenant roads did not pay rent enough to support the landlords.

RAILROAD RATE BILL.

The Railroad Rate Bill, which went into effect on 29th June, enlarges the powers of the Inter-State Commerce Commission in its control over rates, and brings under the Commission express companies and sleeping-car companies. It restricts the giving of passes, and also provides as follows: From and after 1st May, 1908, it shall be unlawful for any railroad company to transport from any state, territory of the district of Columbia to any other state, territory of the district of Columbia, or to any foreign country, any article or commodity other than timber and the manufactured products thereof, manufactured, mined, or produced by it, or under its authority, or which it may own in whole or in part, or in which it may have any interest, direct or indirect, except such articles or commodities as may be necessary and intended for its use in the conduct of its business as a common carrier.

The Illinois Central Railroad has declared a half-yearly dividend of 3½ per cent., against one of 3 per cent. with ½ per cent. extra. The last three dividends have, therefore, been on a regular basis of 7 per cent.

U.S. Judge Horace H. Lurton, at Nashville, Tenn., on 2nd July, authorised Receiver Judson Harmon, of the Cincinnati Hamilton and Dayton Railway, to issue receiver's certificates dated 1st July, 1906, bearing not exceeding 6 per cent. interest, and to mature in one year, in order to provide the $551,830 required for the purpose of meeting interest due 1st July.

President Johnson, of the Norfolk and Western Railroad, estimates the net earnings for the fiscal year ended 30th June at $7,407,000, and the surplus after all charges at $3,909,000. Announcement is expected of the issue of $4,000,000 of equipment trust notes. It is understood that Brown Brothers and Co. have purchased the entire issue from the railroad company. The notes will carry 4 per cent. interest, and mature in semi-annual instalments over a period of ten years.

Brown Brothers have also purchased several other lots of railway equipment notes. In addition to $1,000,000 of four and a-half per cent. equipment trust certificates of the Toledo St. Louis and Western, they have bought $400,000 equipment trust obligations of the Lehigh and Hudson River Railroad Company. These mature in annual instalments of $40,000. They carry 4½ per cent. interest, which is payable in June and December.

Reports are reiterated that the Union Pacific Railroad has obtained the control of the Chicago Milwaukee and St. Paul, thereby rendering the extension to the Pacific coast unnecessary. The Union Pacific has adequate means of handling all the present and prospective traffic of the Chicago Milwaukee and St. Paul.

The Philadelphia Rapid Transit Company has leased for 999 years the Philadelphia Morton and Swarthmore and