

£99,463, or 4.99%; and the train mileage decreased 860,232, or 8.80%.

The total charges to the capital account for the half-year were £124,282 6s. 1d. Of this £39,993 19s. 9d. was for discount and commission on £610,143 4% guaranteed stock issued during the half-year. The actual expenditure on capital account was: New works, £904 15s. 6d.; double track, £51,650 6s. 3d.; land purchased, £31,757 1s. 3d., £84,312 3s. 0d.

No additions to rolling stock at the expense of capital were made during the half-year. Five passenger engines were purchased, and 128 refrigerator cars and 25 tank cars were built in the company's shops during the half-year on revenue account, and on June 30 there remained £45,189 8s. 1d. at the credit of the engine and car renewal funds, applicable to future renewals.

The doubling and deviation of the main line between Whitby and Port Hope was completed during the half-year, making a continuous double line between St. John's, Mont-real, Hamilton, and Niagara Falls, 441 3/4 miles. The congestion, and consequent difficulty of economically handling the traffic, have rendered necessary the doubling of portions of the line west of Hamilton, and it has been decided to proceed with the work between Hamilton and Lynden (14 miles), Brantford and Paris (7.80 miles), and Paris and London (47.29 miles), which is now in hand, and considerable progress will be made during the current half-year.

The gross receipts of the G. T. Western Ry. Co. for the half-year were £506,147, against £554,020 in 1903, a decrease of £47,873, and the working expenses were £432,874, against £475,586, a decrease of £42,712, leaving a net profit of £73,273, against £78,434, a decrease of £5,161, compared with the corresponding period of 1903. The net revenue charges for the half-year were £72,745, against £75,439, so that there was a net revenue surplus for the half-year of £528, as compared with a surplus of £2,995 for the corresponding half-year of 1903. The above surplus of £528 added to the surplus of £2,191 for the half-year ended Dec. 31, 1903, and the balance of £996 carried forward on June 30, 1903, makes a net revenue balance of £3,715 at June 30, 1904, which will admit of the payment of 1% on the second mortgage income bonds. The number of passengers carried during the half-year was 764,030, against 737,637, an increase of 26,393, or 3.58% and the passenger train receipts, including mails and express receipts, were £133,746, against £137,407, a decrease of £3,661, or 2.66%. The quantity of freight moved during the half-year was 1,375,720 tons, against 1,544,207, a decrease of 168,487, or 10.91%. The receipts from this traffic were £371,786, against £416,137 in 1903, a decrease of £44,351, or 10.66%.

The gross receipts of the Detroit, Grand Haven and Milwaukee Ry., for the half-year were £117,746 against £115,038 in 1903, an increase of £2,708; the working expenses were £100,078, against £92,408, an increase of £7,670, leaving a balance of £17,668, against £22,630, a decrease of £4,962, compared with the corresponding half-year of 1903. The net revenue charges for the half-year were £37,051, against £36,995 in 1903, so that there was a net revenue deficiency of £19,383, as compared with £14,365, for the corresponding period of 1903. The number of passengers carried during the half-year was 278,409, against 268,425, an increase of 9,984, or 3.72%; and the passenger receipts, including mails and express receipts, were £40,238, against £42,704, a decrease of £2,466, or 5.77%. The quantity of freight moved was 503,702 tons, against 454,833 in 1903, an increase of 48,869, or 10.74% and the receipts from freight traffic were £73,783, against £70,565 in 1903, an increase of £3,218, or 4.56%.

The act of the Dominion Parliament ratify-

ing the supplemental agreement between the Government and the G.T. Pacific Ry. Co., approved by the proprietors on March 8, received the Royal Assent on July 18. Considerable progress has been made with the surveys of the proposed route of the railway, and it is intended to commence the work of construction next spring.

A resolution will be submitted for the approval of the proprietors authorizing the directors to enter into an agreement for acquiring the control of the Canada Atlantic Ry., and authorizing an application to Parliament for an act to ratify such agreement. The railway extends from Depot Harbor on Georgian Bay, through Ottawa and Coteau to the boundary line of the Province of Quebec and the State of Vermont, 400.3 miles, and by means of the Vermont and Province Line Ry., a controlled line of 3.1 miles, to a connection with the Central Vermont Ry. at Aldburgh Jct. The Canada Atlantic Ry. also owns the Canada Atlantic Transit companies incorporated in Canada and the United States, the steamers of which lines run between Depot Harbor and the Canadian and United States ports on Lake Superior and Lake Michigan. The consideration to be given by the G.T.R. Co. is a guarantee of the principal



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and interest of a total mortgage of \$16,000,000 four % fifty-year gold bonds, of which a proportion will be reserved for future capital expenditure. The Canada Atlantic Ry. forms a very valuable connection, via the lakes, between the G.T. and Central Vermont Rys. and the Northwest of Canada, and its acquisition will tend to strengthen and consolidate the G.T.R. system, and will also secure to the Company the advantage of possessing its own station in Ottawa.

The Chief Engineer reports that the expenditure for maintenance of the company's property during the half-year ended June 30 last, was \$153,000 less than during the corresponding period of 1903. The company's permanent way and works have been maintained in good condition.

The Superintendent of Motive Power reports the expenditure, mileage, etc., as follows:

| Half-year ended. | Total Expenditure. | Train Mileage. | Rate of Expenses per Mile. |        |       |
|------------------|--------------------|----------------|----------------------------|--------|-------|
|                  |                    |                | Train                      | Engine | Car.  |
|                  | Dollars.           |                | Cents                      | Cents  | Cents |
| June, 1904..     | \$3,873,353        | 8,820,199      | 43.91                      | 32.95  | 2.86  |
| " 1903..         | 4,072,289          | 9,680,431      | 42.07                      | 32.97  | 2.53  |

A decrease in expenditure of \$198,936.00 or 4.89%, compared with a decrease in train miles of 860,232 or 8.89%.

The comparative cost of repairs per train, engine and car mile was:—

| Cost per Mile. | Repairs and renewals of Locomotives. |         |        | All repairing charges, including shop machinery, tools, and marine equipment, etc. |         |        | The Superintendent of Car Department reports the expenditure, mileage, etc., as follows:— |             |                |
|----------------|--------------------------------------|---------|--------|------------------------------------------------------------------------------------|---------|--------|-------------------------------------------------------------------------------------------|-------------|----------------|
|                | 1904.                                |         | 1903.  | 1904.                                                                              |         | 1903.  | Total Miles run by Cars.                                                                  |             | Cost per Mile. |
|                | Cents.                               |         | Cents. | Cents.                                                                             |         | Cents. | Passenger.                                                                                | Freight.    | Total.         |
|                | Train.                               | Engine. | Car.   | Train.                                                                             | Engine. | Car.   | Passenger.                                                                                | Freight.    | Total.         |
|                |                                      |         |        |                                                                                    |         |        | 16,064,699                                                                                | 119,428,916 | 135,493,615    |
|                |                                      |         |        |                                                                                    |         |        | 16,016,379                                                                                | 144,776,186 | 160,792,565    |
|                |                                      |         |        |                                                                                    |         |        | Dollars.                                                                                  |             |                |
|                |                                      |         |        |                                                                                    |         |        | 784,107                                                                                   |             |                |
|                |                                      |         |        |                                                                                    |         |        | 1,213,431                                                                                 |             |                |
|                | Half-year ended.                     |         |        |                                                                                    |         |        |                                                                                           |             |                |
|                | June, 1904.                          |         |        |                                                                                    |         |        |                                                                                           |             |                |
|                | " 1903.                              |         |        |                                                                                    |         |        |                                                                                           |             |                |

A decrease in expenditure of \$431,324, or 35.55%, with a decrease in car miles of 25,300,984, or 15.74%.

| The average number of cars moved per train was..... | Passenger Trains | Freight Trains | Mixed Trains |
|-----------------------------------------------------|------------------|----------------|--------------|
|                                                     | 4.1              | 24.9           | 7.7          |
| And for the corresponding period.....               | 4.2              | 25.0           | 9.1          |
|                                                     |                  |                |              |

During the half-year seven locomotives were scrapped or sold, and five 10-wheel passenger locomotives were purchased. The actual stock at June 30, 1904, was 804 locomotives against the official figure of 803.

The revenue account was as follows:

| RECEIPTS.                                         | £ s. d. |       | £ s. d.   |       | £ s. d. |       |
|---------------------------------------------------|---------|-------|-----------|-------|---------|-------|
|                                                   | £       | s. d. | £         | s. d. | £       | s. d. |
| Passengers.....                                   | 691,239 | 15 9  | 660,995   | 18 7  | 1,376   | 7 1   |
| Less—                                             |         |       |           |       | 4,379   | 15 9  |
| International bridge tolls                        |         |       | 5,756     | 2 10  |         |       |
| St. Clair tunnel tolls                            |         |       | 1,734,239 | 11 10 |         |       |
| Mails and express.....                            |         |       |           |       | 70,049  | 0 9   |
| Freight and live stock.....                       |         |       |           |       |         |       |
| Less—                                             |         |       |           |       |         |       |
| Cartage, etc.                                     |         |       |           |       | 38,529  | 2 9   |
| International bridge tolls                        |         |       |           |       | 11,584  | 17 10 |
| St. Clair tunnel tolls                            |         |       |           |       | 19,935  | 0 2   |
| Miscellaneous receipts, rents, tolls, etc., ..... |         |       |           |       |         |       |
|                                                   |         |       |           |       |         |       |

#### EXPENDITURE.

|                                        | £         | s. d. |
|----------------------------------------|-----------|-------|
| Maintenance of way and structures..... | 246,575   | 6 10  |
| Maintenance of equipment.....          | 336,870   | 17 8  |
| Conducting transportation.....         | 1,225,753 | 8 6   |
| General expenses.....                  | 69,921    | 2 10  |
| Total working expenses.....            | 1,879,120 | 15 10 |