

Quebec Central Railway Meeting.

The following report for the year ended Dec. 31, 1904, was presented at the annual meeting in London, Eng., recently:—

1903.		1904.
\$682,757	Gross earnings	\$778,969
492,698	Working expenses	540,373
\$190,059	Net earnings	\$238,596
157	Interest on balances	336
\$190,216	Net revenue	\$238,932

The statement shows increases in the gross earnings of \$96,212, in the working expenses of \$47,675, and in the net earnings of \$48,537. The net revenue for the year amounted to \$238,932. The addition of \$10,989 brought forward from the year 1903 increased the available total to \$249,921. After providing \$88,892 for the year's interest paid and accrued on the outstanding prior lien bonds and 4% debenture stock issued, the sum of \$8,204 was charged against net revenue for alterations, additions, and improvements to bridges, culverts, and stations, etc. There then remained \$152,825, from which was paid interest on the 3% second debenture stock amounting to \$49,348, and a dividend at the rate of 4% for the year on the 7% income bonds, absorbing \$65,797, leaving a balance of \$37,680. The total train miles run have increased by over 10%. In order to provide for this additional traffic 60 new box cars have been ordered and are now in course of delivery. The directors have appropriated \$27,000 out of the surplus towards special betterments and improvements, and have carried forward the balance of \$10,680. Up to Dec. 31, 1904, £268,684 of the new 4% debenture stock had been issued. Of this amount £198,200 had been used in retiring a like amount of prior lien bonds and £70,484 had been sold to provide funds for a portion of the requisite additional capital expenditure authorised by the act of 1899. There remained £151,800 prior lien bonds unexchanged on Dec. 31, 1904. The directors had to regret the death of Jos. Price, and desired to place on record their appreciation of his ability and the invaluable assistance which he was able to render in the conduct of the company's affairs. Thos. Lindley, who had for more than 16 years occupied the position of secretary, had been elected a director to fill the vacancy, and C. D. Brassey had been appointed secretary.

E. Dent, chairman, in moving the adoption of the report referred to the death of Joseph Price, one of the directors, and reviewed the history of the line during the eighteen years that had elapsed since the present board assumed the direction of affairs. Owing to the failure of the contractors and London agents of the company, a considerable amount of the money originally subscribed was never expended on the railway, and the present board had to take over an unfinished line, inadequately equipped, and with a floating debt of over £80,000. Special acts of parliament had, from time to time, been obtained, giving the company fresh borrowing powers and granting subsidies, and to show how judiciously these powers had been exercised, he had only to tell them that in the year 1888 the gross earnings were only \$229,800, and the net earnings \$49,200, whereas in 1904 the gross earnings were \$778,900, and the net earnings \$238,500, in spite of the fact that the mileage during this period had only increased from 153 to 211 miles. Then, as to their equipment. In 1888 they had nine locomotives, whereas now they had 22, and their cars had increased from 238 to over 600. In addition to this, the line had been almost reconstructed, and was now mostly laid with 70-lb. rails. Some of the proprietors might take exception to the conservative charges they had made against revenue in order to bring the road up to date; but he was sure their policy had been a wise one, and that they would in the future reap the benefit of the course pursued. At the time the bond-

holders' committee was formed the old bonds stood at 19, whereas the securities representing those bonds, at the present time, stood at 82. Having referred to the services of F. Grundy, who had been General Manager since 1889, and to the staff in Canada, to whose work the altered condition of affairs was largely due, the chairman proceeded to refer to the annual report. The gross earnings for 1904 showed an increase of \$96,212 over the preceding year, and the net earnings an increase of \$48,537. The total available net revenue, including the amount brought forward, was \$249,921. After paying the fixed charges and 3% on the second debenture stock, a dividend of 4% on the income bonds was declared and had been paid. A balance then remained of \$37,680, and of this sum they had appropriated \$27,000 towards what he might call special betterments and improvements, which were commenced last year, and they were carrying forward the balance of \$10,680 to the current year, practically the same amount as last year. Some might think the appropriation excessive, but they had found it necessary to replace a wooden bridge at Beauce Junction (which was always a cause of anxiety owing to the risk of damage by fire) by a new steel bridge, and this would absorb nearly the whole amount set aside. The year 1904 had been a prosperous one for the company, and although they had had accidents, as all railways must have, they had not been of a serious nature. The increase in freight traffic was very satisfactory, but parts of this was owing to an accumulation of lumber which was held back in 1903, owing to prolonged drought, which prevented the logs being floated down to their stations. The passenger traffic, although showing an increase, might have been better, as there was a decrease in foreign and through passengers, which was attributable to the St. Louis Exhibition, which diverted travellers from Canada. The local passenger receipts, however, showed an increase generally, the line had been kept in good order, 70,000 new ties had been put in the road-bed, 9,000 ft. of new sidings had been constructed, 12,000 ft. of new wire fencing erected, and 20 miles of the main line had been relaid with new 70-lb. steel rails. Owing to the increase of traffic two new locomotives had been purchased, and 50 new box cars ordered. The year 1904 had been the most prosperous one in the history of the company. With regard to the current year, the earnings up to the fourth week of April were \$218,135, as compared with \$217,178 for the corresponding period of last year. The net earnings up to the end of March showed an increase of \$7,071.

F. Grundy, Vice-President and General Manager, Sherbrooke, Que., seconded the motion, and said business was promising better even than in 1904. The company's property was a very good one. With regard to the proposed extension of the line from Scotts to the Quebec Bridge, until they had a more complete report from the engineer, who was now surveying it, he could not say what the cost would be, but it would not vary very much from the estimate already made. As to the Quebec Bridge, the Government of Canada having guaranteed the interest on the balance of the capital required to complete this important undertaking, it was now assured; they said it would be finished in two years—he thought it would be the third year from now. However, when it was completed it would be a good thing for the Quebec Central Ry. It would then have direct communication from New York, Boston, Portland and the important districts of the Eastern Townships, as well as the prosperous counties of Beauce, Dorchester and Levis right into Quebec City. At present all the passengers and freight had to be transferred across the river between Levis and Quebec by ferry boats at considerable inconvenience and loss of valuable time. When the bridge was opened the Q.C. trains would run through and this would, he felt confident, increase their

traffic considerably. He did not think that any company would benefit more than the Quebec Central by the bridge.

The report was adopted and the directors re-elected as follows:—E. Dent, A. Bremner, T. Lindley, F. H. Norman, S. G. Sheppard, London, Eng.; F. Grundy, Sherbrooke, Que., and Z. A. Carrier, Levis, Que.

Railway Employees' Claims for Accidents.

The Dominion Parliament in 1904 passed an Act to amend the Railway Act, 1903, being Chapter 31 of the Statutes of 1904, the bill having been introduced by H. Lennox, M.P., its aim being to cut down the privileges enjoyed by railway companies in connection with the insurance of their employees, by virtue of Dominion legislation. For instance the G.T.R. Co. was empowered by legislation passed in 1874 and 1878, to insure its employees and to make regulations governing the rights of the insured and their representatives. The G.T.R. Insurance and Provident Society is largely supported by contributions from the G.T.R. Co., and it is provided in the by-laws that in consideration of the company's subscription, no member of the Society or his representatives shall have any claim against the company for compensation on account of injury or death from accident. The validity of this provision having been upheld by the Courts, Mr. Lennox introduced the bill referred to, the 1st section of which was passed as follows:—

"Notwithstanding anything in any act heretofore passed by Parliament, no railway company within the jurisdiction or legislative power or control of Parliament shall be relieved from liability for damages for personal injury to any workman, employee or servant of such company, nor shall any action or suit by such workman, employee or servant, or in the event of his death, by his personal representatives, against the company, be barred or defeated by reason of any notice, condition or declaration made or issued by the company, or made or issued by any insurance or provident society or association of railway employees formed, or purporting to be formed, under such act; or by reason of any rules or by-laws of the company, or rules or by-laws of the society or association; or by reason of the privity of interest or relation established between the company and the society or association, or the contribution or payment of moneys of the company to the funds of the society or association; or by reason of any benefit, compensation or indemnity which the workman, employee, or servant, or his personal representatives, may become entitled to or obtain from such society or association or by membership therein; or by reason of any express or implied acknowledgment, acquittance or release obtained by the company or the society or association prior to the happening of the wrong or injury complained of, or the damage accruing, to the purport or effect of relieving or releasing the company from liability for damages for personal injuries as aforesaid."

The second section provided that the question of the competency of Parliament to enact the preceding section should be submitted to the Supreme Court and in the event of the Supreme Court deciding that the provisions of the section were within the powers of Parliament, and the time for appeal having elapsed, or in case of appeal, then in the event of the Judicial Committee of the Privy Council deciding that the provisions were within the powers of Parliament, the act should be brought into force by proclamation of the Governor-General-in-Council.

In accordance with this provision the question of the competency of Parliament to pass Sec. 1 of the act was referred to the Supreme Court. On behalf of the G.T.R. it was contended that Sec. 1 was ultra vires. It was urged that the section not merely prevented the company from entering into contracts with any employee, but it would interfere with any employee entering into any contract sought to be prohibited by the Statutes. It was also contended that the legislation was void, as it was legislation in regard to property and civil rights, and that such legislation could only be enacted by the legislative assemblies of the various provinces. It was further urged that the section would operate to destroy the effect of any