

tendency of railways to consolidate for the purpose of more economical administration, must have the effect of reducing the opportunities to the average employe, of improving his position by changing from one service to another, & pensions therefore conduce to permanence of employment. Under such circumstances the advantages resulting to employes from the establishment of a pension fund are very great, & the prospective benefits should spur them to increased efforts in the faithful & efficient performance of their duties. At the same time the consideration that employes are approaching the superannuation age cannot rightfully have any influence upon the responsible officials when dealing with matters of discipline & efficiency.—Railroad Gazette.

A Passenger Fare Suit.

In the High Court of Justice at Toronto, Feb. 20, judgment was given in Lees vs. Ottawa & New York Ry. Co., on appeal by defendant from judgment of junior Judge of County of Carleton. The action was to recover three times the amount claimed as damages under sec. 290 of the Railway Act for levying from plaintiff, an Ottawa lawyer, unlawfully, as alleged, tolls, rates, charges & moneys for defendant's services as a common carrier. The plaintiff travelled over the defendant's line running between the City of Ottawa & the Village of Russell, & paid the full rates required by the Co., & brought this action to compel defendant to make a reasonable rate between Ottawa & Russell. The plaintiff alleged that there is no by-law of the defendant fixing tolls for carriage of passengers between Ottawa & Cornwall which has been approved by the Governor in Council & published in the Canada Gazette in accordance with terms of sec. 227 of the Railway Act. The objections that the appeal had been set down before the expiration of 30 days from date of judgment, & that the proceedings had not been certified & that the proceedings had not been certified as required by the County Courts Act, were overruled on the argument. Held, without expressing any opinion on the effect of section 227, that it is plain that the theory upon which the action is brought cannot be supported. To give effect to it would be to hold that a company whose tariff has not been sanctioned by the Governor in Council must not carry on its business, & may not even make special contracts with travellers, & that if it does so, & they & their goods are carried, & a reasonable charge paid, the traveller may recover it back. There is no warrant for this in any provision of the act. Nor is plaintiff entitled to recover under section 290. The fares not being unreasonable nor excessive, it follows that they are neither unjust nor extortionate. Appeal allowed with costs & action dismissed with costs.

Corporation Taxation.—Under the revenue act passed by the Ontario Legislature in 1899, corporations paid into the Provincial Treasury during the year \$207,059, among the amounts being the following:—

Railway companies	\$32,944
Street railway companies	7,063
Express companies	3,725
Sleeping & parlor car companies	583
Telegraph companies	1,512
Bell Telephone Company	4,445

The N.L. Piper Railway Supply Co. Ltd.—Notice is given that application will be made for the incorporation by Dominion letters patent of a company under this name, to carry on the business of manufacturing & dealing in railway, ship & electric supplies, & to acquire from the old & favorably known firm of Noah L. Piper & Son, of Toronto, the business now carried on under that name. The chief place of business of the Co. is to be Toronto & the capital \$50,000. The principal applicants are E. S. Piper & H. Piper, & it is not proposed to take in any outside capital.

C.P.R. ANNUAL REPORT.

The 19th annual report for the year ended Dec. 31, 1899, dated Feb. 27, 1900, & signed by President Shaughnessy, has been addressed to the shareholders as follows:

A balance sheet of the affairs of the Co. at Dec. 31, 1899, together with the usual statements & schedules are herewith submitted.

The gross earnings for the year were.....\$29,230,038.26
The working expenses were.....16,999,872.77

And the net earnings were.....12,230,165.49

Add interest earned on deposits & loans & income from other sources including profits from special steamship charters.....\$ 333,978.57

Add interest due from Duluth, South Shore & Atlantic Ry. Co. on consolidated bonds held by your Co. against debenture stock issued.....\$604,280.00

Less advanced by your Co.....272,780.00

331,500.00

Add interest from Minneapolis, St. Paul & Sault Ste. Marie Ry. Co. on bonds held by your Co. against debenture stock issued.....159,720.00

Add amount repaid by M., S. P. & S. Ste. M. Ry. Co. on account interest advanced previous to 1895.....325,000.00

1,150,198.57

Deduct fixed charges accrued during the year, including interest on land bonds.....\$6,816,676.36

The surplus for the year was.....\$6,563,687.70

Deduct amount applied against cost of steamships.....155,000.00

\$6,408,687.70

From this there has been charged off the ½ yearly dividend on preference stock 2% paid Oct. 1, 1899.....\$419,020.00

And ½ yearly dividend on ordinary stock; 2% paid Oct. 1, 1899.....1,300,000.00

\$1,719,020.00

Leaving balance.....\$4,689,667.70

From this there has been declared a 2nd ½ yearly dividend on preference stock of 2% payable April 1, 1900.....\$535,820.00

And a further dividend of 3% on common stock payable April 1, 1900 (making 5% for the year).....1,950,000.00

The working expenses for the year amounted to 58.16% of the gross earnings, & the net earnings to 41.84%, as compared with 59.92 & 40.08% respectively in 1898.

The earnings per passenger per mile were 1.79c, & per ton of freight per mile 0.74c, as against 1.52 & 0.76c respectively in 1898.

During the year, 274 miles of the main line were relaid with steel rails weighing 73 & 80 lbs. a yard, & the policy was continued of improving the railway & its facilities with a view to most economical operation.

To meet the requirements of the traffic, a greater number of cars & locomotives had to be provided than was anticipated a year ago, involving an expenditure of \$1,070,315.36 in excess of the appropriation made at the last annual meeting. You will be asked to approve the action of your directors by sanctioning this expenditure.

The Columbia & Western Ry., from Robson to the Boundary Creek district, has been completed, & there is every evidence that it will add largely to the tonnage & revenue of your railway system.

Branch lines from Deloraine to Waskada, 18 miles, & from La Riviere to Snowflake, 16 miles were built in Manitoba for the purpose of reaching important settlements; & an extension of the Pipestone Branch, 50 miles westward from its present terminus, was commenced, to provide railway facilities for the

productive country in the Moose Mountain district; a branch line, 26 miles, from McGregor in the direction of Varcoe, was partially constructed to protect valuable territory, & work was commenced on another branch line, 24 miles, from Molson to Lac du Bonnet, in order to reach the timber district tributary to English River.

The work of double-tracking the line between Montreal & Toronto was commenced, & 17 miles of the busiest section were completed.

An arrangement was made with the Arrowhead & Kootenay Ry. Co. to build a portion of its line, 35 miles in length, in order to comply with the terms of its charter, & to serve the Trout Lake mining district in B.C. The arrangement contemplates a lease to your Co. of the line on the basis of its actual cost.

During the year 4% consolidated debenture stock to the amount of £960,000, was created & sold for the purpose of acquiring the bonds of the Columbia & Western Ry. Co. The bonds are now in the Co.'s treasury amongst acquired securities held against debenture stock issued.

Four % preference stock to the amount of £1,200,000, was created & sold for the purpose of meeting expenditures for rolling stock, additions & improvements, authorized by the shareholders.

The 1st mortgage 5% Canada Central bonds that matured Oct. 1, amounting to £187,400, were retired by an issue of 4% consolidated debenture stock.

The land grant bonds to the amount of \$1,000,000 held by the Dominion Government as security for certain works to be performed, have been surrendered & destroyed. Under the terms of the mortgage, land grant bonds to the face value of \$250,000 were called for redemption from the proceeds of land sales, & of these \$155,000 had been redeemed & cancelled at the end of the year. A further amount will be called shortly.

The net proceeds of town site sales, as shown in the balance sheet for 1898, viz., \$1,363,224.69, have been transferred in reduction of the cost of the Co.'s property, & especially allotted to the ocean, lake & river steamships, & there has been applied, in further reduction of the same item, a portion of the profit resulting from the operation of the Pacific steamers during the year, amounting to \$155,000.

Pursuant to the authority given at the last annual meeting, your Co. guaranteed interest on \$3,500,000 second mortgage bonds of the Minneapolis, St. Paul & Sault Ste. Marie Ry. Co., the proceeds of which were devoted to the payment of maturing interest bearing securities, the purchase of rolling stock, the repayment of capital advanced by your Co., & the other purposes specified in the resolution. The balance unexpended at the end of the year amounting to \$1,359,629.12 is deposited in trust with your Co. The advances made by your Co. in previous years for the payment of interest on the M., S. P. & S. S. M. Ry. Co.'s bonds are being carried as a deferred liability of that Co. to be repaid in instalments as its earnings may warrant. The net earnings of the M., S. P. & S. S. M. Ry. Co. for the year were \$2,243,883.11, out of which were paid interest & charges amounting to \$1,618,226.73, leaving a surplus of \$625,656.38. From this surplus that Co. repaid \$325,000, of the amount advanced by your Co. previous to 1895 to meet interest on its bonds for which your Co. is responsible as guarantor. As the payments when made were charged against your revenue, the amount received has been credited to the same account.

The net earnings of the Duluth, South Shore & Atlantic Ry. Co. for the year were \$943,478.53, or about \$14,000 more than all fixed charges. Notwithstanding the necessity for meeting all capital expenditures out of revenue that Co. was able to pay towards interest on