

£25 per mile per week, from the local and through traffic combined will be realised, and also that the working expenses under these circumstances will not exceed 50 per cent. of the receipts.

On the portions of the line west of Toronto already opened, the local receipts for the last few months have exceeded £20 per mile per week, and the working expenses have been less than 50 per cent.

Assuming that the total capital on which interest will have to be paid may in round numbers be £10,000,000, the result will be as follows:—

£25 per mile per week on 1,057 miles	£1,374,100
50 per cent. for working expenses	687,050
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Deduct rent on Portland section	687,050
				73,000
				<hr/>
Leaving a net profit	£614,050

or more than sufficient to pay 6 per cent. on the whole debenture and share capital of the company.

Under these circumstances the London Directors, in offering, without reserve, their views on the position of the Railway, feel that the Board have adopted the best and most equitable mode of raising the necessary funds by the proposed new issue of 1,111,500 Second Preference Debentures, which, with the 2,000,000 of First Preference already issued, assume the position originally occupied by the Provincial Debentures of £3,111,500.

As soon as the London Directors have received from Canada the information that the requisite sanction has been given for this issue, they will announce the arrangements they propose to make for the disposal of the debentures.

THOMAS BARING, *Chairman.*
 GEORGE CARR GLYN,
 KIRKMAN D. HODGSON,
 H. WOLLASTON BLAKE,
 WILLIAM CHAPMAN.