

The gross receipts for the ½-year show an increase of £283,219, or 13.23%; the working expenses, including taxes, an increase of £166,750, or 11.68%; & the train mileage an increase of 557,626, or 6.50%.

This following table exhibits the gross receipts, working expenses, & net traffic receipts for the past 8 years :

Year.	Gross receipts.	Working expenses.		Net traffic receipts.
		Amount.	Percentage of gross receipts.	
1892	£ 4,028,865	£ 2,914,876	72.35	£ 1,113,989
1893	4,062,217	2,942,548	72.43	1,119,669
1894	3,649,957	2,625,476	71.93	1,024,481
1895	3,637,055	2,610,862	71.78	1,026,193
1896	3,819,074	2,713,667	71.06	1,105,407
1897	4,003,717	2,631,447	65.72	1,372,270
1898	4,012,313	2,671,883	66.59	1,340,430
1899	4,407,015	2,892,994	65.65	1,514,021

No additions to the rolling stock have been made at the expense of capital during the ½-year. Ten passenger engines were built, & 9 freight engines purchased on revenue account during the ½-year, & there remained at Dec. 31, 1899, 11 engines in excess of the official stock. There have been built in the Co.'s shops, by way of renewal, 5 passenger, 2 baggage, & 215 box cars, & there was, at Dec. 31, 1899, £151,325 os. 5d. at the credit of the car renewal fund, to be applied to the replacement of cars out of service. There was also at that date £21,291 os. 2d. at the credit of the engine renewal fund.

£93,238 18s. 6d. was expended on capital during the ½ year, of which £22,714 8s. 7d. was on account of the construction of additional double track at various points on the line; £27,163 os. 11d. for the further equipment of engines & freight cars with air-brakes & automatic couplers in compliance with the U.S. "Safety Appliance Act"; & £41,189 10s. 11d. on account of the purchase of additional land, mainly for the purpose of improving the terminal accommodation at Montreal by which the increased traffic will be more promptly & economically handled. The Intercolonial Ry., under the agreement of Feb. 1, 1898, participates in the use of the Co.'s terminal facilities at Montreal, & a proportion of the cost of acquiring this additional property, or interest at the rate of 4% thereon, will be payable by that line in the terms of the agreement.

It addition to £30,805 being the proportion chargeable to the revenue of the ½ year of the cost of reconstructing the Victoria Jubilee bridge, & of the expenditure for renewing the bridges between Montreal & Portland, & on the Southern division on the plan mentioned in previous reports, £20,000 has been specially included in the maintenance of way charges & placed to the credit of the renewal of bridges suspense account, which now stands at £46,754 12s. 0d.

The gross receipts of the Chicago & G.T.R. Co. for the ½ year to Dec. 31, 1899, amounted to £406,786, against £373,555 in 1898, an increase of £33,231. The working expenses were £333,796, against £299,355, an increase of £34,441; the net profit being £72,990, against £74,200, a decrease of £1,210. The net revenue charges for the ½ year were £92,248, against £88,755 in 1898, so that there was a deficiency in meeting the net revenue charges in 1899 of £19,258, compared with a deficiency for 1898 of £14,555. The above deficiency of £19,258 is payable by the G.T. Co., under traffic agreements. The number of passengers carried during the ½ year was 659,223, against 622,847, an increase of 36,376, or 5.84%, and the passenger train receipts, including mails and express receipts, were £132,165, against £115,068, an increase of £17,097, or 14.86%. The quantity of freight moved during the ½ year was 1,241,316 tons, against 1,005,054 in 1898, an increase of 236,

262 or 23.51%, & the receipts from this traffic were £274,012, against £258,175 in 1898, an increase of £15,837, or 6.13%.

The gross receipts of the Detroit, Grand Haven & Milwaukee Ry. for the ½ year to Dec. 31, 1899, were £115,907, against £106,379 in 1898, an increase of £9,528; the working expenses were £73,769, against £72,492, an increase of \$1,277; leaving a balance of £42,138, against £33,887, and showing an increased net revenue of £8,251, compared with the corresponding ½ year of 1898. The net revenue charges for the ½ year were £37,050, against £37,768 in 1898, so that there was a surplus for the ½ year after meeting the net revenue charges of £5,088, as compared with a deficiency of £3,881 for the corresponding period of 1898. The deficiency for the year 1899 amounted to £17,280. The number of passengers carried during the ½ year was 365,965, against 330,357, an increase of 35,608, or 10.78%, & the passenger receipts, including mails & express receipts, were £57,098, against £51,153, an increase of £5,945, or 11.62%. The quantity of freight moved was 351,469 tons, against 285,202 in 1898, an increase of 66,267 or 23.24%, & the receipts from freight traffic were £56,992, against £54,318 in 1898, an increase of £2,674, or 4.92%.

The proprietors were informed at the general meeting in Oct. last, that the Chicago & G.T. board had intimated its intention of promulgating, at an early date, a scheme for the rearrangement of the capital of that Co. This proceeding was rendered indispensable by the maturing of a large amount of 1st mortgage bonds on Jan. 1, 1900, together with the urgent necessity of arranging for the settlement of the Co.'s large floating debt, & of providing means for improving the physical condition of the line & its equipment, thus placing the Co. on a more equal footing with the other competing railways out of Chicago. With a view of effecting these objects the C. & G.T. Co. formulated a plan of re-organization, to the terms of which your directors have considered it desirable, in the interest of the G.T. Co., to assent, & inasmuch as the traffic agreement between the two companies in connection with the C. & G.T. 1st mortgage bonds maturing on Jan. 1, 1900, terminated on that date, the directors, in further support of the scheme, have expressed their willingness, subject to the approval of the proprietors, to enter into a new agreement for the interchange of traffic with the C. & G.T. Co. when re-organized, whereby the interest at 4% on the bond capital of \$15,000,000, proposed to be created by that Co., will be fully secured. Proceedings have been instituted in the U.S. courts for carrying this scheme into effect, & in the meantime E. W. Meddaugh & H. B. Joy have been appointed, by the Circuit Court of the U.S., joint receivers, & they are now in charge of the property. The interests of the G.T. Co. in these proceedings are being carefully watched, & are receiving the special attention of the board.

The Central Vermont line was taken over by the new management on May 1, last, & the directors are pleased to report that the net revenue of that Co. was considerably in excess of the fixed charges for the 8 months ended Dec. 31, 1899, & therefore no liability was incurred by the G.T. Co. in respect to the traffic agreement between the two companies. Securities of the C.V.R. Co. have been received in substitution of those of the former Co. held by the G.T. Co., & in settlement of traffic balances & advances. The securities now held consist of \$2,185,100 common stock & \$1,583,300 of 4% 21-year 1st mortgage bonds.

A patriotic fund having in Jan. last been organized in Canada, under the patronage of the Queen, for the relief of her Canadian subjects disabled in the war in South Africa, or their dependents, the directors authorized, on

behalf of the Co., a subscription of \$15,000 thereto, which they feel confident will receive the cordial approval of the proprietors.

The work in connection with the erection of the new general offices at Montreal, on the site granted to the Co. by the municipality, has been retarded by the difficulty of obtaining delivery of the necessary material. £17,465 15s. 1d. on this account is included in the working expenses of the past ½ year.

The retiring directors are G. Von Chauvin, Col. F. Firebrace, A. W. Smithers, & Sir W. L. Young, all of whom are eligible, & offer themselves for re-election. F. Whinney, one of the auditors in London, & T. Davidson, one of the auditors in Canada, retire at the ensuing meeting. They are eligible & offer themselves for re-election.

Following are extracts from the appendices to the report :

The mileage of the G.T.R. on Dec. 31, 1898, including lines east of St. Clair & Detroit rivers & the Detroit & Michigan Air Line, was, length of roadway, 3,506 miles; 2nd track, 426¼ miles; sidings, 819¼ miles; total, 4,752 miles.

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

Rate of Expenses per Mile.	Car.		Engine.		Train		Train mileage.	Expenditure
	Cents.	1.60	Cents.	21.44	Cents.	26.50		
1899	1.50	19.80	24.29	8,573.555	2,419,652	2,085,913	9,131,151	Dec. 1899
1898	1.60	19.80	24.29	8,573.555	2,419,652	2,085,913	8,573.555	.. 1898

An increase in expenditure of \$336,739, or 16.17%, compared with an increase in train miles of 557,626, or 6.5%, & with an increase in the ton miles of 227,615,197, or 22.8%.

The average number of cars moved per train was.....	Passenger trains.	Freight trains.	Mixed trains.
And for the corresponding period.....	4.6	24.8	10.5
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The comparative cost of repairs per train, engine & car mile was :--

	Repairs & renewals of locomotives.		All repairing charges, including shop machinery, tools, & marine equipment, &c.	
	1899.	1898.	1899.	1898.
Train .. .. .	Cents. 6.07	4.81	Cents. 7.53	6.19
Engine .. .. .	4.91	3.92	6.09	5.04
Car .. .. .	0.37	0.30	0.46	0.38

The superintendent of the car department reports expenditure, mileage, &c., as follows :--