

with, and the issue of the guaranteed securities was duly authorized and secured by trust mortgage. These having been completed subsequent to the close of the fiscal year, the effect of the arrangement does not appear in the present statement of accounts.

Since the close of the fiscal year, business conditions have become exceedingly bad, owing to the war now in progress. Every industry has been affected to a greater or less extent, and this is reflected, so far as all the railways in the Dominion are concerned, in reduced gross revenue from week to week, especially in the Prairie Provinces. To meet these unparalleled conditions your directors have enforced sweeping economies in the handling of such business as is being offered as will in a measure offset the serious loss in gross revenue.

Owing to conditions which have arisen, the completion of your line across Canada has been delayed. It is expected, however, that a physical connection between the east and the west will be made early in the coming year, and that a regular through service will be in full operation by midsummer of 1915.

E. R. Wood, Toronto, President, Dominion Securities Corporation, and identified with other important financial interests, has been elected a member of your company's board.

The accounts and statistical tables appended were submitted by D. B. Hanna, Third Vice President:

CONDENSED BALANCE SHEET.

Assets.

Cost of railway and equipment	\$239,688,998.27	
Acquired securities (cost)	17,309,634.77	
Advances to other companies	9,310,721.28	
Advances to lines under construction	15,226,978.49	
Value of material and supplies on hand	\$2,817,971.51	
Due from agents, station balances, etc.	714,291.16	3,532,262.67
Deferred payments and accrued interest on land sales	7,161,785.46	
Cash with National Trust Co., account of land sales	2,730,962.75	9,892,748.21
Cash account—		
With Dominion Government	757,513.29	
With Province of Manitoba	656,713.38	
With Province of Saskatchewan	2,803,617.04	
With Province of Alberta	1,148,959.85	
Cash on hand	2,841,477.90	8,208,281.46
		\$303,169,625.15

In addition to the above assets the company owns 857,356 acres of land in Manitoba and Saskatchewan.

Liabilities.

Capital stock	\$77,000,000.00	
Bonds and stock (guaranteed by Government)	54,915,117.86	
4% perpetual consolidated debenture stock	46,464,715.83	
5% income charge convertible debenture stock	25,000,000.00	
6% one year gold notes	\$3,500,000.00	
5% secured notes	11,923,333.34	15,423,333.34
5% land mortgage debentures	\$7,300,000.00	
Land grant bonds		
1899	\$2,000,000.00	
1909	3,087,413.35	
Temporary loans against deposit as collateral of inter alia Government guaranteed securities, the value of which at current price largely exceeds the amount borrowed	5,087,413.35	12,387,413.35
Car trust obligations	14,968,487.19	
Current liabilities—		
Unpaid pay rolls	1,147,874.01	
Unpaid audited vouchers	2,303,020.51	
Due to other companies	4,633,972.31	8,084,866.83
Coupons and dividend warrants due July (since paid)	1,784,639.31	

Accrued interest on bonds and equipment securities	631,984.71	2,416,624.02
Equipment replacement fund		694,403.25
Surplus—		
Land account	16,828,269.95	
Railway account	6,962,893.53	23,791,163.48
		\$303,169,625.15

INCOME ACCOUNT.

Operating expenses	\$16,147,417.08	
Taxes, railway	214,835.51	
Taxes on company's lands	88,510.50	
Interest on bonds, etc.—		
Consolidated debenture bonds, guaranteed by Manitoba	\$491,825.31	
Ontario Division debenture bonds, guaranteed by Manitoba	230,648.36	
Winnipeg Terminal bonds, guaranteed by Manitoba	120,000.00	
3% debenture stock, guaranteed by the Dominion	280,799.86	
3½% debenture stock, guaranteed by the Dominion	276,380.52	
4% debenture stock, guaranteed by Manitoba	114,399.94	
4% debenture stock, guaranteed by Saskatchewan	321,200.00	
4% debenture stock, guaranteed by Alberta	154,950.00	
Consolidated debenture stock	1,809,375.37	
Qu'Appelle, Long Lake and Saskatchewan Ry. 4% debenture stock	202,056.02	
Land grant 4% bonds	129,556.32	
5% land mortgage debentures	182,500.00	
5% secured notes	122,354.87	4,436,046.57

Rental of leased lines—		
Northern Pacific & Manitoba Ry.	225,000.00	
Minnesota & Manitoba Rd.	26,460.00	251,460.00

Interest on equipment securities	1,088,553.77	
Accrued interest to June 30, 1914	631,984.71	
Less accrued interest to June 30, 1913, paid during current year	511,988.18	119,996.53

Interest at 5% per annum paid on income charge convertible debenture stock outstanding	1,250,000.00	
Balance of income account	6,962,893.53	
		\$30,559,713.49

Balance of income account at June 30, 1913, as per annual report	\$6,778,384.65	
Gross earnings, passenger	\$3,719,946.94	
Freight	18,316,055.73	
Express, mail and miscellaneous	1,745,326.17	23,781,328.84
		\$30,559,713.49

Balance to credit of income account June 30, 1914	\$6,962,893.53	
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Gross Earnings.

Class	1914	Per cent.
Passenger	\$3,719,946.94	15.64
Freight	18,316,055.73	77.02
Mails	148,665.67	00.63
Express	485,108.94	02.04
Miscellaneous	1,111,551.56	04.67
Total	\$23,781,328.84	100.

Operating Expenses.

Class	1914	Per cent.
Maintenance of way and structures	\$3,191,805.44	19.40
Maintenance of equipment	2,563,233.05	15.58
Traffic expenses	450,413.67	02.74
Transportation expenses	9,198,610.26	55.92
General expenses	1,046,700.67	06.36
Total	\$16,450,763.09	100.

Summary of Earnings and Expenses.

Class	1914	Per cent.
Gross earnings	\$23,781,328.84	
Operating expenses	16,450,763.09	69.18
Net earnings	7,330,565.75	30.82

Description of Freight Carried.

	For years ended June 30.	
	1914.	1913.
Flour, sacks (100 lbs. ea.)	2,405,487	3,047,478
Grain, bushels	73,892,911	59,380,967

Live stock (all kinds), head	385,697	239,133
Logs and lumber, feet	466,745,000	448,351,000
Firewood, cords	209,712	233,248
Coal, tons	1,150,461	1,111,865
Immigrants' effects, cars	4,241	4,628
Building material (lime, stone, brick, sand, etc.)	41,952	57,367
Miscellaneous, tons	1,456,997	1,371,927

Passenger Traffic.

	1914.	1913.
Passengers carried (earning revenue)	2,010,272	1,984,978
Passengers carried one mile	158,216,177	157,225,910
Passengers carried one mile per mile of road	34,674	36,590
Average distance carried	78.73	79.21
Total passenger revenue	\$3,591,054.32	\$3,590,313.39
Average amount received per passenger	1.78.64	1.80.87
Average amount received per passenger per mile	.02.270	.02.284
Total passenger train earnings	\$4,353,721.55	\$4,381,668.92
Passenger train earnings per train mile	1.22.702	1.28.088

Freight Traffic.

	1914.	1913.
Revenue tons carried	6,537,416	6,821,811
Revenue tons carried one mile	2,419,604,849	2,366,393,799
Revenue tons carried one mile per mile of road	530,266	550,708
Average distance haul of one ton	370.12	346.88
Total freight revenue	\$18,125,874.76	\$18,261,130.13
Average amount received for each ton of freight	2.77.264	2.67.687
Average revenue per ton per mile	.00.749	.00.772
Total freight train earnings	\$18,316,055.73	\$18,561,026.90
Freight train earnings per train mile	2.95.153	2.83.240

Passenger and Freight, Etc.

	1914.	1913.
Gross earnings per mile of road	\$5,211.77	\$5,649.87
Operating expenses per mile of road	\$3,605.25	\$4,073.45
Net earnings per mile of road	\$1,606.52	\$1,576.42
Amount required per mile of road to pay fixed charges, including leased lines	\$1,027.29	\$993.01

Train Mileage.

	1914.	1913.
Mileage of passenger trains	3,548,219	3,420,821
Mileage of freight trains	6,205,620	6,553,100

Expenses Per Traffic Train Mile.

	1914.	1913.
Maintenance of way and structures	cts. 32.72	32.33
Maintenance of equipment	cts. 26.28	33.10
Traffic expenses	cts. 04.62	04.29
Transportation expenses	cts. 94.31	97.26
General expenses	cts. 10.73	08.51
Total	\$1.68.66	\$1.75.49

Summary of Equipment.

	June 30, 1914.	1913.
Locomotives	663	534
Sleeping and dining cars	80	76
Passenger coaches	412	376
Baggage and mail and express cars	142	135
Business cars	16	16
Freight, refrigerator and stock cars	27,018	23,759
Conductors' vans	433	396
Boarding, tool, auxiliary cars, steam shovels and snow equipment	818	701

The total mileage owned and operated, including leased lines, at June 30, 1914, was 4,965.90, located as follows: Ontario, 342.07; Manitoba, 1,836.70; Saskatchewan, 2,052.24; Alberta, 691.17; Minnesota, 43.72.

Railways and Forestry.—The Canadian Forestry Association passed a resolution at its annual meeting recently, thanking the railway companies for the assistance given the association in various ways in carrying on the work of forest conservation, and stating that without such aid the association's work would have been much curtailed.

*x carried 25,284 tons passenger
revenue - \$5,790.93, revenue*