

the extension & perfection of the Co.'s telegraph system in Canada—extensions & improvements which will add to your already handsome profits from this source. In connection with this sale your interests have been secured by a contract for the interchange of business with the same telegraph system for 20 years.

Your Co. has acquired the individual holdings of shares in the Chateau Frontenac Co., amounting to \$80,000, & now holds all of the stock representing this hotel at Quebec—a property which is not alone profitable in itself, but brings a large amount of passenger traffic to the railway.

The Co.'s telegraph, express, grain elevators, sleeping-cars & lake steamers all afforded increased net earnings, & these, with the profits from the Pacific Steamships, **exceeded the interest on the whole of the consolidated debenture stock of the Co.**

Your Co. had nothing to pay on its guaranty in respect of the Minneapolis, St. Paul & Sault Ste. Marie Ry., but the improved conditions in the Western States did not begin to be felt by the Duluth, South Shore & Atlantic Ry. until late in the year, & the deficit of that Co. was \$442,065, as already stated.

During the year \$151,000 of the 4% consolidated mortgage bonds of the Minneapolis, St. Paul & Sault Ste. Marie Ry., \$131,000 of the 4% consolidated mortgage bonds of the Duluth, South Shore & Atlantic Ry., & \$518,750 of the 5% first mortgage bonds of the Montreal & Ottawa Ry.—all guaranteed by your Co.—were purchased with the proceeds of £145,875 4% consolidated debenture stock, a considerable saving in interest being thereby effected.

During the year your directors contracted for the sale of one million pounds 4% preference stock to apply on capital expenditures already authorized, including a portion of the Crows Nest Ry. construction, & the portion of the proceeds received before the end of the year was so applied.

Arrangements permanently assuring the traffic interests of the Duluth, South Shore & Atlantic Ry. west of Duluth having been made, the amount advanced to that Co. for the acquisition of the Duluth & Winnipeg Ry. has been returned to your treasury.

The land sales for the year were 199,482 acres for \$665,740, an increase over 1896 of 111,604 acres, or 127%, & an increase in the amount realized of \$356,812, or 112%. The net amount realized from town sites was \$100,267, as against a deficit of \$7,860 in 1896.

The recovery in the prices of farm products,

& especially of wheat, has given vigor to agricultural development in the Canadian Northwest, & the directors anticipate a much larger increase in the land sales of the new year. The fact that a great majority of the established farmers in that part of the country realized from their crops & cattle in 1897 more than their lands & improvements had cost them, must result in a new & large movement of settlers in that direction. The business of Canada seems to have returned to its normal condition & prosperity is the rule in nearly all sections of the country.

EARNINGS FOR THE YEAR 1897.

From Passengers.....	\$ 5,796,115.12
" Freight.....	15,257,896.94
" Mails.....	603,210.49
" Express.....	530,749.65
" Parlor & Sleeping Cars..	361,777.38
" Telegraph, Grain Elevators & miscellaneous, including profit on Pacific Steamships..	1,499,785.07
	\$24,049,534.65

WORKING EXPENSES FOR THE YEAR 1897.

Conducting Transportation....	\$3,434,755.39
Maintenance of Ways & Structures.....	3,018,748.90
Motive Power.....	4,211,586.61
Maintenance of Cars.....	955,013.12
Parlor & Sleeping Car Expenses.....	78,673.90
Expense of Lake & River Steamers.....	333,381.68
General Expenses.....	1,336,022.47
Commercial Telegraph.....	377,576.69
	\$13,745,758.76

EQUIPMENT AT DECEMBER 31, 1897.

Locomotives.....	598
First & 2nd class passenger cars, baggage cars, & colonist sleeping cars.....	588
First-class sleeping & dining cars....	99
Parlor cars, official & paymasters' cars.....	30
Freight & cattle cars (all kinds).....	15,544
Conductors' vans.....	312
Board, tool & auxiliary cars & steam shovels.....	575
Pacific Steamships—Empress of China, Empress of Japan, Empress of India.	
Pacific Coast Steamships—Athenian, Tartar.	
Lake Steamers—Alberta, Athabasca, Manitoba.	

Ferry Steamers—Ontario, Michigan.

River Steamers—Kootenay District—Kootenay, Rossland, Lytton, Kokanee, Slocan, Illecilliweat, Aberdeen, Trail, Nelson, Columbia.

Index to the Railway Act.

An index to the Railway Act of Canada, & its various amending acts, has been issued by J. Leslie, of the Department of Justice, Ottawa, & R. R. Cromarty, Manager of the Canada Law Journal, Toronto. The index was prepared by W. Vaughan, barrister, who was for a number of years Secretary to Chief Solicitor Clarke, of the C.P.R., & will undoubtedly be found very useful not only to lawyers, but to every railway man who wants to consult the statutes relating to railways. It is published by the Canada Law Journal Co., Toronto. Price, \$1.

THE CANADIAN PACIFIC RAILWAY COMPANY.

Dividends for the half-year ending December 31st, 1897, have been declared as follows:

On the Preference Stock, 2 per cent.
On the Common Stock, 2½ per cent.
Warrants for the common stock dividend will be mailed on or about April 1st to shareholders of record at the closing of the books in New York and London respectively.

The preference stock dividend will be paid on Friday, April 1st, to shareholders of record at the closing of the books at the Company's London Office, 1 Queen Victoria Street, London, E.C.

The common stock transfer books will close in London at 3 p.m. on Friday, February 25th, and in Montreal and New York on Tuesday, March 8th. The preference stock books will close at 3 p.m. on Tuesday, March 8th.

All books will be re-opened on Thursday, 7th April.

By order of the Board.

CHARLES DRINKWATER,

Montreal, Feb. 14th, 1898.

Secretary.

CANADIAN PACIFIC RAILWAY CO'Y.

Notice to Shareholders.

The seventeenth Annual Meeting of the shareholders of this Company for the election of Directors and the transaction of business generally will be held on Wednesday the 6th day of April next, at the principal office of the Company at Montreal, at 12 o'clock noon.

The common stock transfer books will close in London at 3 p.m. on Friday, February 25th, and in Montreal and New York on Tuesday, March 8th. The preference stock books will close at 3 p.m. on Tuesday, March 8th.

All books will be re-opened on Thursday, April 7th.

By order of the Board.

CHARLES DRINKWATER,

Montreal, Feb. 14th, 1898.

Secretary.

Drummond, McCall & Co.

Iron, Steel and Metal Merchants

and Importers

— Montreal.

PIG IRON.

Buffalo Furnace Co.: "Buffalo Scotch,"
"Summerlee" "Calder."

"C.I.F." Three Rivers Charcoal.
Ferro-Silicon. Ferro-Manganese.
Speiseleisen.

"U.S." Iron for Stay Bolts.
Seebohm & Dieckstahl's "Self-Hardening" Steel.

"Snow" Steam Pumps.
Cast Iron Water Pipes.
"Ludlow" Valves and Hydrants.
Railway Car Wheels.

Iron and Steel Plates, Sheets and Bars, General Metals.