

cur line at the rate of 85 miles per annum out of the 200, making altogether 175 miles per annum. Our rails at Detroit and Portland are far better than anything we have succeeded in late years in buying from English manufacturers. Of the 175 miles, 140 will be steel, and I do not believe we can fairly ask you to hope that our expenditure in maintenance and renewals for the three years 1872, 1873 and 1874 will be less than £350,000 per annum. How far it may be necessary at the end of three years to renew the remaining 600 miles of the line in Canada with steel I cannot say. But if the traffic of the Intercolonial should be, as we may expect it will be, and as I partly believe it will be, larger than has been generally anticipated, I think it will be good policy to renew the other portions of the line with steel rails as rapidly as we are renewing the more crowded portions. If you put the figures together, as I dare say many of you will do, and take the mileage now existing in iron, and divide it by 175, I daresay the idea will occur to many that that may not be a sufficient provision. It is giving, in point of fact, an average life of nearly seven years to an iron rail, which I am afraid is a full calculation. But you must bear in mind that all along the Grand Trunk railway, as along the whole of the railways in northern climes, there are small repairing shops; small hand rolling forges, where rails are collected from a distance of thirty miles on each side. These invalid rails are thus got together, a slab of iron is placed over the diseased parts, which are welded together; the iron so welded is homogenous in character with the old rail, that rail will last from three months to three years. That is a process which is going on very largely, and will do so until the whole line is laid in steel. Of course that is a supplementary process to the removing. It is a thing quite unknown here; but a practice that is necessary in cold climates, unless you do what we are really doing, tackle the question and lay the whole line with steel. Then, of course, the whole of this process will be abolished. I have no doubt that when the whole line is laid with steel rails, £200,000 a year will be saved in renewals and repairs, being sufficient to pay the whole of the first and a very large proportion of the second preferences. But I am quite satisfied that we cannot do more than what we have done. We have tackled the question boldly. If we had to go into the market for 100 tons of steel rails for the next year, I do not believe we could buy them for £15 a ton, so completely are the manufacturers choked with orders. We do not contemplate asking you to-day for any authority to alter the clauses or conditions of the Arrangement Act, and in saying that to you I am conscious that I am making a serious statement, because it is a serious responsibility to face the expiry of that act. That act expires on December 31st, 1872, and on July 1st, 1873, the first and second preference bond-holders are reverted to their original rights under the Act of Incorporation which constituted them. They receive 6 per cent. instead of 5. The Atlantic shares receive 6 per cent. instead of 4, and there are certain features in their constitution. Therefore, when I tell you that we do not contemplate asking you for any authority to-day, I mean we believe that we see a reasonable prospect of being able on July 1, 1873, to meet those bonds by cash payments. But I think I ought to say this, that in order to secure that result beyond all reasonable doubt (and it is a result which above all in the interests of the 1st and 2nd preference bond-holders it is desirable to secure on many grounds) there will be some advantage in the visit of Capt. Tyler. My impression is that with a large accession of traffic in weight (and happily now in value) upon the line, it will be necessary next year to add considerably to our siding and

other accommodation undoubtedly, in order to enable the line physically to earn for the first six months of 1873 the whole of that interest, increased from 5 to 6 per cent., a very considerable addition to our rolling stock will be absolutely essential. Therefore we must husband, in every possible way, the small capital resources that we have, in order to provide things which are essential to earn the money. We shall spend this year out of the £228,000 second equipment bonds, which is the only resource that we have available, unless we were to float some of the Atlantic securities, which we have told you we shall not do without your consent, £100,000 of that sum, the only remaining source available for capital expenditure for 1871 and 1872, and we may only have £100,000 available for 1872. Will that be sufficient? I hope it may. But I wish to impress upon the minds of all of you that the end and object of the anxious thought and care of the Directors, and of every gentleman interested in this concern, ought to be to conduct the administration of our finances here and in Canada so that we can secure, beyond all reasonable doubt, the payment of our first and second preference bonds at the larger rate of 6 per cent. in cash for the 30th June, 1873.

TORONTO GAS COMPANY.—At the annual meeting of the shareholders of the Consumers' Gas Company, held on the 30th Oct., the following gentlemen were elected directors for the ensuing year:—Messrs. E. H. Rutherford, James Austin, W. Cawthra, Hon. W. McMaster, W. Gooderham, J. T. Smith, Judge Duggan, L. W. Smith, I. C. Gilmer, J. H. Mead, John Eastwood, and A. Lepper. At a meeting of the directors held subsequently, Mr. E. H. Rutherford and Mr. James Austin were unanimously re-elected president and vice-president respectively.

—The annual election for directors of the Western Union Telegraph Company was held in New York, on October 11th. The following is a list of the executive officers chosen:—President, Wm. Orton; Vice-Presidents, A. B. Cornell, Augustus Schell, and O. H. Palmer; Secretary, G. H. Mumford; Treasurer, R. H. Rochester; Auditor, W. H. Abel. The total share capital of the company is \$41,071,710. The amount of stock voted upon was \$29,176,600, and the following Board was unanimously elected: Hugh Allan, James H. Banks, Nathan A. Baldwin, Wm. D. Bishop, Horace F. Clark, Ezra Cornell, Alonzo B. Cornell, Harrison Durkee, Wm. E. Dodge, Shepard Gandy, Norvin Green, Augustus W. Greenleaf, John A. Griswold, Wilson G. Hunt, George Jones, C. Livingston, Edwin D. Morgan, Wm. Orton, O. H. Palmer, E. J. Sanford, Augustus Schell, Hiram Sibley, T. G. Simmons, John Steward, Moses Taylor, Daniel Torrance, George Walker, E. B. Wesley, and Stillman Witt.

—4,000 acres of fine alluvial land are under sugar cane in New South Wales.

—The grading on the Wellington, Grey and Bruce Railway is completed to Paisley, and work on the fourth and last section will soon be commenced.

—An extension of the Nova Scotia and New Brunswick Railway, to the cities of Halifax and St. John, is stated to be engaging the attention of the Government. The plans and specifications are ready.

—It is stated by English journals that a process by which petroleum may be rendered almost wholly non-inflammable has been discovered by a Frenchman. A description of it was transmitted by Lord Lyons to the home government—a proof that it is regarded as important in rtors.

Commercial.

MONTREAL MARKET.

From our own Reporter.

MONTREAL, Nov. 14, '71.

Snow fell to the depth of several inches last Friday, followed by sharp frost, which still continues. Business in all departments continues very active, but there is still great difficulty in getting goods moved; merchants are put to very great trouble to find transport westward, and we understand that arrangements are in progress to have a number more propellers on the lakes another season. The wharves are still covered with merchandise of all kinds, and merchants are at their wits end to get it into store. There is still a large number of vessels in the harbour, but they are clearing as fast as possible, and freights are quoted rather higher. Five of the Allan Line of steamships are expected in port this week; the Nestorian which met with a collision below Quebec, is getting a temporary repair, and proceeds to sea to-morrow, taking troops from Quebec to Halifax. The damage and loss to the whaling fleet has had a hardening effect on this market, and an advance is noted on whale and seal oils.

ASHES.—*Pots*—The demand for firsts still continues active, and an advance on last week's prices has been established, the sales in the early part of the week were at \$7.65, market closing firm at \$7.70; seconds, \$6.90 to 7.00; thirds, \$6.00. The supply of pots is small, and no reduction of these prices is looked for as long as navigation remains open. *Pearls*—This ash continues very scarce, and holders command their own prices, as high as \$8.40 having been paid; latterly, however, the prevailing price was \$8.25. The stocks at present in store are pots-447 brls; pearls, 64 brls.

BOOTS AND SHOES.—As the close of navigation approaches, business in this department becomes quieter, but there is still sufficient to keep the wholesale houses moderately busy. Prices are steady, at the following rates: Men's No. 1 stogias, \$2.40 to 2.50; No. 2 ditto, \$2.20 to 2.25; kid clump, \$3; do. D.S., \$2.75; calf clump, \$3.75; calf congress, \$2.50 to 3; boy's boots, \$1.80 to 2; women's calf boots D.S., \$1.30; buff do. D.S., \$1.25; split do. D.S., \$1.10; buff congress D.S., \$1.30; balmorals D.S., \$1.35 to 1.50; pebble do. F.L., \$1.40 to \$1.70.

COAL.—This market has been very active, and American Anthracite has advanced 25c a ton, the quotation now being \$8.25. Welsh Anthracite has also advanced to \$8; in other qualities of coal there is no change in price to note.

DRESSED HOGS are now beginning to come into market, these have been chiefly sold to butchers, and realized from \$6.00 to \$7.00 per 100 lbs.

DRUGS AND CHEMICALS.—A fair business has been done this week, but by no means so large as last. Prices of heavy goods are very firm, but there is great difficulty experienced in getting them shipped. Saltpetre is quiet and easy, at \$9 to \$10; borax, 18c to 23c; cream tartar crystals, 22½c to 23½c; alum is quiet, \$2.12½ to 2.15; brimstone has been placed to some extent at \$2.75 to 2.87½; sulphur, \$3.12½ to 3.25; bleaching powder is in demand, with sales at 3½c to 4c; caustic soda, is firm and held for 4c to 4½c; bi carb is scarce, and advanced to \$4.87½ to 5; sal soda, \$1.75 to 1.90; soda ash, 2½c to 2½c; epsom salts, \$2 to 2.25.

DRY GOODS.—The stocks in the hands of country merchants are beginning to diminish, and a fair jobbing trade is being done; prices are without change. In clothing there is a good deal doing; stocks of winter goods are now getting low and some houses are completely