

circumstances of the present and the occurrences of the past. It is for the holders of the Debenture and other Stocks of the Company to assess the importance of what is here simply noted, and to calculate how far the dividend-earning power of the Railway has been permanently weakened.

As bearing on this vital question of dividend-earning power, it is important to notice that, on account of the addition of £72,200 to the annual amount of pre-preference charges, and the absence of any assistance to revenue by drafts on reserve, or by such other special receipts or sale of capital assets as are noted above, (except possible payments by the Chicago Company on account of its old indebtedness,) a much larger amount of profit on working is now required than in 1883 to yield an equal net result. Net revenue was supplemented in 1883 to the extent of about £59,800 from the sources here alluded to, irrespective of the repayment made by the Chicago Company; and, adding this sum to the £72,200 increase in pre-preference charges, it follows that, with the same profit on working, dividend results would now, *ceteris paribus*, be less than in 1883 by £132,000.

But this is not all. In 1883 the amount received in respect of dividend on the Company's investment in Detroit, Grand Haven and Milwaukee Stock was £24,657. There appears to be no probability of any assistance from this quarter to Grand Trunk revenue for 1887. The Detroit Company's profits for nine months to 30th September were £44,796, but interest charges are now, as already mentioned, £ 37,498 per annum, and the profit for the three final months of the year are not likely to be more than sufficient to make up this amount. Nor does there appear to be a prospect of any increase in net