

ised in the following statement:—

	1911
Gross earnings.....	\$104,167,808
Working expenses.....	67,467,978
Net earnings.....	\$36,699,830
Excess steamship earnings.....	1,118,350
Fixed charges.....	\$ 37,818,180
	10,011,071
Surplus.....	\$ 27,807,109
Steamship replacement and pension funds.....	1,080,000
Balance.....	\$ 26,727,109
Dividends.....	14,853,867
Net surplus for year.....	\$11,873,242
Special income.....	\$5,046,856
Balance brought forward from land surplus.....	1,555,349
	\$6,602,205
Dividends.....	5,250,000
Net surplus, forward.....	\$1,352,205
Total net surplus.....	\$13,225,447
Percentage of earnings on \$180,000,000 common stock 17.26.	

The following indicates the comparative results for the three previous years, following the lines upon which the accounts were then drawn up:—

	1910	1909	1908
Gross Earnings.....	\$94,989,490	\$76,313,320	\$71,384,169
Working Expenses.....	61,149,534	53,357,748	49,591,803
Net Earnings.....	\$33,839,955	\$22,955,572	\$21,792,366
Other Income.....	3,335,713	2,306,488	2,654,633
Total Income.....	\$37,175,668	\$25,262,060	\$24,446,999
Fixed Charges.....	9,916,940	9,427,032	8,770,077
Surplus.....	\$27,258,728	\$15,835,028	\$15,676,922
S.S. replacement and pension funds.....	980,000	880,000	880,000
Balance.....	\$26,278,728	\$14,955,028	\$14,796,922
Dividends.....	12,382,113	11,107,867	9,217,207
Net surplus for year.....	\$13,896,615	\$3,847,161	\$5,579,715
The percentage of earnings on \$150,000,000 common stock in 1910 was 17.79.			

The increase of over \$6,000,000 in dividends this year is due not only to the increase in the rate last March, but also to the fact that the latest issue of stock has become fully paid during the year, and the amount of 4 per cent. preference stock has also been advanced by \$1,400,000. The amount of 4 p.c. debenture stock outstanding has also been increased by \$6,000,000, so that at June 30 last, the capitalisation was \$13,000,000 higher than 12 months before at \$418,586,761. The balance sheet shows assets of \$561,887,215. Railway and equipment are taken at \$343,595,230; steamships at \$19,679,673; deferred payments on land and town site sales, \$34,116,421. Cash in hand is \$34,371,551 and \$10,088,734 is temporarily invested in Government securities. There is a surplus over liabilities of \$55,374,493, an increase of \$12,500,000 over 1910. And in addition to this surplus are the company's land holdings.

ADVANCE IN LAND PRICES.

These land holdings aggregate 7,061,184 acres in Manitoba, Alberta and Saskatchewan and 4,427,811 acres in British Columbia. The sales of agricultural land during the year aggregated 650,874 acres for \$9,558,427, being an average of \$14.69 per acre, against \$14.84 per acre in the previous year. In-

cluded in this area are 19,097 acres of irrigated land, which brought \$33.63 per acre against \$26.59 per acre in 1910, so that the average price of the balance of the land was \$14.11 per acre against \$12.78 per acre in 1910. It is mentioned in the report that the Hudson's Bay Company had parcels of land scattered through the irrigation belt and the Canadian Pacific has acquired these lands, about 102,174 acres in extent, at the price of \$13.50 per acre. "All these lands," says the report, "will be sold at a substantial profit."

The mileage of the company in operation was further extended during the financial year to 10,481; 292 miles of other lines are worked and 983 miles are under construction, making a total of 11,756 miles. Additionally the mileage of the Minneapolis, St. Paul and Sault Ste. Marie and the Duluth, South Shore and Atlantic railways extends to 4,381. Arrangements are being made for the construction of numerous new branch lines in Saskatchewan and Alberta, which are required to provide transportation facilities for incoming settlers. The shareholders will be asked at the meeting to authorise the issue of a sufficient amount of 4 p.c. consolidated debenture stock for the purpose of construction of nearly 400 miles of these lines. A new line is also to be built from Hamilton to Guelph Junction, by the South Ontario Pacific Company, which will be leased to the Canadian Pacific. This line will provide a much shorter route from Hamilton to points in Western Ontario. It is evident, also, the report states, that while the double track between Winnipeg and Brandon is nearing completion, a second track must be laid on some portions of the main line between Brandon and Calgary in the near future. Evidence of other activity on the part of the company is found in the facts that during the financial year 103 locomotives, 204 passenger cars and 3,808 freight cars were added to the rolling stock at a cost of about \$9,000,000, and there are orders outstanding for cars and locomotives to the value of about \$7,000,000 which are expected to be available for the fall traffic. And in addition, \$18,000,000 was spent during the financial year in enlarging terminal yards and buildings, providing additional shops and machinery, laying many miles of new passing tracks, extending telegraph lines and generally improving the standard of the property.

The following table shows the present capitalisation of the company, and its dividend record since its inception:—

PRESENT CAPITALIZATION.

Capital Stock.....	\$180,000,000
Four per cent. preference stock.....	57,076,666
Four per cent. consolidated debenture stock.....	142,861,462
Mortgage bonds:—	
First Mortgage, 5 per cent.....	\$34,998,633
Algoma Branch, 1st mortgage.....	3,650,000
	38,648,633
Total.....	\$418,586,761

DIVIDEND RECORD.

Years	Per cent.	Years	Per cent.
1885.....	.4	1899.....	.4
1886-7-8-9.....	.3	1900.....	.5 1-2
1890.....	.3	1901-2-3.....	.5
1891-2-3-4.....	.5	1904-5-6.....	.6
1895.....	.Nil	1907-8-9.....	.7
1896-7.....	.2 1-2	1910.....	.8
1898.....	.4 1-2	1911.....	.10

*One per cent from interest on proceeds of land sales.

†Three per cent. from special income.