

	Passenger Trains.	Freight Trains.	Mixed Trains.
The average number of cars moved per train was.....	4.2	25.0	9.1
And for the corresponding period.....	4.2	27.0	10.1

During the ½-year seventeen (17 engines) were scrapped or sold. Twenty (20) mogul compound freight engines were turned out new at the Co.'s works, Point St. Charles. The actual stock at June 30, 1903, was 801 engines, against the official figure of 803 engines, being a deficiency of 2 engines.

The revenue account was as follows:

	RECEIPTS.		EXPENDITURE.	
	£	s. d.	£	s. d.
On account of:—				
Passengers.....	686,084	12 11	278,013	14 0
Less—			447,503	5 6
International bridge tolls.....	998	12 6	1,184,234	8 0
St. Clair tunnel tolls.....	3,978	15 6	69,099	0 8
Less—				
Mails and express.....	4,977	8 0	1,978,850	8 2
Freight and live stock.....	1,981,068	15 5	16,181	6 6
Less—				
Carriage, etc.....	43,098	13 8	1,095,031	14 8
International bridge tolls.....	13,599	4 3	783,048	14 2
St. Clair tunnel tolls.....	22,682	3 8	£2,778,080	8 10
Less—				
Miscellaneous receipts, rents, tolls, etc.....	79,380	1 7		
	681,107	4 11		
	119,100	19 3		
	1,904,688	13 10		
	73,183	10 10		
	£2,778,080	8 10		

June 30, 1902.	Train Mileage.	June 30, 1903.
3,315,697	Passenger trains.....	3,570,809
4,322,674	Freight trains.....	5,078,746
535,825	Mixed trains.....	430,876
8,374,196		9,680,431

In moving the adoption of the report Sir C. Rivers Wilson said that although the company had received a very large increase in revenue, owing to the peculiar conditions of the times, there had been a corresponding increase in expenditure, which had gone far to neutralize any beneficial results which might have been expected under ordinary circumstances. Some shareholders might feel disappointed because a more profuse distribution of dividends had not attended the good fortunes of the company, but the time would certainly arrive when they would not regret the expenditure of the last few years. Since January, 1898, £2,548,000 had been distributed in dividends. The tide of prosperity might recede, but he was satisfied the Grand Trunk would derive lasting advantages from the policy pursued in prosperous times, of which they were already reaping benefit. Referring to his recent visit to Canada and the States, he saw no reason why the industries of both countries should not continue to develop. The report was adopted.

**Quebec Ry., Light and Power Co.**

The report submitted at the annual meeting, which was adjourned from Sept. 8 to Oct. 9, owing to the illness of the Co.'s Accountant, which delayed the preparation of the financial statements, showed the result of the year's business to be satisfactory, all three divisions of the company's business showing substantial increased earnings over those of the previous year. The net profits of the business amounted to \$29,101.91,—say double that obtained in the previous year. The profit and loss account shows \$99,152.55 at the credit of that account. The directors regretted the loss of the contract for lighting the city, which had been held by the company for the past 15 years. During the year the necessary improvements at Kent house were completed, and the hotel opened to the public on Dec. 17, 1902; the elevator at Montmorency was installed during the year and opened to the public Feb. 1. These additional attractions and conveniences have been appreciated by the public, as shown by the large increased travel on the railroad to Montmorency. A contract was entered into, on reasonable terms and conditions, with the Canadian Electric Light Co., on Feb. 15, for 1,000 electrical h.p., deliverable at the Co.'s substation in Quebec, for five years; the working of which has proved satisfactory.

The report of the General Manager, E. A. Evans, respecting the operations of the railway portion of the Company's undertaking follows:

**CITADEL DIVISION.**—During the past year, four additional open cars have been purchased and put in operation, at an expense of \$7,600.00, giving this division a total of 28 open cars and 32 closed cars. 4,192,799 passengers have been carried, making an increase of 477,127. 1,460,285 transfers have been issued, an increase of 25,559. The car mileage has been 1,112,361, an increase of 22,911. Sweeper mileage has been 5,800, a decrease of 1,173. The operating expenses have been 11.35 cts. per car mile, as against 10.5 cents in the previous year. This slight increase is almost entirely due to an increase in the wages of motormen and conductors, which it was considered necessary in the interests of the Company to grant. All the cars have been kept in a thorough state of repair, painted and varnished when necessary, and the electrical equipment has been kept in a high state of efficiency.

**MONTMORENCY DIVISION.**—The passengers carried on this division are as follows:—On the electric trains, 465,391; on the steam trains, 183,696; making a total of 649,087 passengers, or an increase of 111,154 over the previous year. The steam passenger trains made 150,160 miles,—or 20,168 miles less than the previous year; the electric cars made 150,657 miles, or 39,201 miles more than the previous year. The double track to Montmorency was completed August 25, 1901, and the service was very considerably improved. There were 99 organized pilgrimages to St. Anne de Beauré, an increase of 19 over last year; and 53 excursions by electric trains, an increase of 25. The passenger traffic on Sundays has become so heavy that it is almost impossible to dispatch trains rapidly enough from the Quebec yard. To overcome this difficulty, I would suggest that permission be obtained from the city authorities to put a switch on St. Andrew st. and utilize the track on Ramsay st., one side of the station being used to start trains from, and the Ramsay st. track being used for arrivals. The receipts from freight, whilst showing a decrease, are very satisfactory, the decrease being entirely due to the construction of the Montmorency Cotton Co.'s mill the previous year. Special facilities are now being given at Petit Pré, Rivière des Chiens and Beauré for the shipment of freight, such as

cordwood, &c., which previously had been shipped by water; these facilities will, we anticipate, bring considerable more freight during the coming year, and it will be necessary, if it is desired to increase the freight business, to purchase at least six more box cars. Miscellaneous receipts have been increased by the opening of parcel offices at several of the stations on the line, and by the arrangements made with the Quebec and Lake St. John Ry., allowing the Great Northern Ry. trains to pass over the St. Charles river bridge. The road bed, fences, cars and buildings have all been maintained in a satisfactory manner, and locomotives nos. 3 and 5 have been thoroughly overhauled and put in a high state of efficiency. All the bridges have been thoroughly scraped and repainted. Four large new cars, each capable of seating 130 passengers, have been purchased during the year and added to this division. The elevator connecting the railway with the Co.'s Kent house property at Montmorency Falls was completed in February last, and has been exceedingly well patronized by the public, and although the months of February, March and April represent the three worst months of the year, the elevator showed to June 30 an earning of 6¼ per cent. on the investment. This elevator is working to our entire satisfaction, and the only cause of regret is the fatal accident which happened; this accident, however, cannot be attributed to any fault in either the construction or means of operation.

The general financial statement for the year showed:

ASSETS.	
Road and Equipment, real estate, buildings, etc., including Kent house.....	\$ 5,245,884 61
Cash on hand.....	6,843 44
Power division—operating, including accounts due, stores for operating equipment.....	61,393 10
Haldimand house—operating account.....	6,090 01
Montmorency Division—operating account, stores, etc.....	\$25,652 58
Repairs to engines, 1902-3 account.....	1,083 26
Accounts receivable.....	26,135 84
Citadel division—operating account, represented by stores on hand.....	5,074 18
	11,747 26
	\$ 5,363,168 44

LIABILITIES.	
Capital stock.....	\$3,000,000 00
Less—treasury stock.....	500,000 00
	\$ 2,500,000 00
Bonds.....	\$2,500,000 00
Less—in treasury.....	19,000 00
	2,481,000 00
Bills payable (loan).....	188,700 00
Accrued interest on bonds and loans.....	9,312 46
Accounts payable.....	85,003 43
Profit and loss account.....	99,152 55
	\$ 5,363,168 44

PROFIT AND LOSS ACCOUNT.	
Balance carried forward from June 30, 1901.....	\$ 69,061 00
Net earnings for the year	
1901-1902.....	\$164,283 25
Interest on bonds and loan.....	135,091 70
	29,101 55
Balance.....	\$ 99,152 55

**Duluth, South Shore and Atlantic Ry.**

The report of this subsidiary company of the C.P.R. for the year ended June 30, 1903, consists of tabular statements, which are presented without comment. The main line owned is 517.44 miles, branch lines owned 46.04, total owned 563.48; trackage rights leased 9.59 miles; total miles operated 573 07. The equipment is 75 locomotives, 56 passenger cars, 2,647 freight cars, 75 miscellaneous cars. The income account was as follows:

	1901-02.	1902-03.
Gross earnings.....	\$2,600,569.36	\$2,772,134.67
Operating expenses.....	1,688,818.38	1,758,089.74
Net earnings.....	1,001,750.98	1,014,044.93
Other income.....	6,285.22	14,665.20
Net income.....	\$1,008,036.20	\$1,028,710.13