

THE Railway and Shipping World

With which is incorporated The Western World. Established 1890.

Devoted to Steam & Electric Railway, Shipping, Express, Telegraph & Telephone Interests.

OLD SERIES, No. 115.
NEW SERIES, No. 33.

TORONTO, CANADA, NOVEMBER, 1900.

10 CENTS A COPY.
\$1 A YEAR.

G.T.R. Semi-Annual Meeting.

The report, for the $\frac{1}{2}$ year ended June 30, as presented at the annual meeting in London, England, Oct. 9, was published in our last issue. The report having been taken as read, the President, Sir C. Rivers Wilson, said:— In considering the reports & accounts of our Co. for the $\frac{1}{2}$ -year ended June 30 last, I would ask you to bear in mind that we have been working during that period in comparison with heavy receipts & prosperous times in the corresponding $\frac{1}{2}$ -year of 1899. I will ask you also to remember that the conditions under which railways, not only on the other side of the Atlantic, but here also, have been working during the last 6 months have been of a peculiarly difficult & onerous character, imposing an enormous strain upon the resources of the management. That we have been able, notwithstanding, to add largely to our gross income, & even to improve upon our net receipts, I think, is a subject of congratulation to our shareholders. Well, beginning with the question of addition to capital, which the directors have always shown themselves most anxious to restrict within the narrowest limits, we have added £143,800 net to the capital expenditure of the $\frac{1}{2}$ -year. Of that a certain portion is represented by the necessity for renewing the bridges over the 10 miles of double track which have been recently completed. The doubling of the line between Hamilton & Niagara Falls, referred to at the last meeting, is being proceeded with, & several miles of the grading have been completed. We hope that considerable progress will be made in this important work, & that 26 miles of the entire distance of 43 miles will be completed & opened for traffic before the close of this year. It will be very satisfactory if we are able to complete the double tracking on that section in the spring of next year, as it is proposed to hold an important exhibition at Buffalo—the Pan-American Exhibition—which it is expected will result in a large & remunerative traffic to our Co. The outlay for the past $\frac{1}{2}$ -year, on account of additional double track, amounted to £49,029. The other charges to capital account were in respect of the purchase of additional land at Montreal, required for the improvement of the terminal accommodation there, & for land adjoining the terminals at Island Pond & Toronto for the necessary enlargement of the yards at those points. The board has authorized the construction of a new freight station at Montreal, the cost of which is estimated as \$50,000. The expenditure of £55,031 charged last year to capital on account of improvements to rolling stock is chiefly for the equipment of engines & cars with air-brakes & automatic couplers to meet the requirements of

the U.S. Safety Appliance Act, & Mr. Hays reports that before the end of this year it is expected that all the necessary equipment will be accomplished. The total expenditure on this account has already reached about £220,000, & a further outlay will be required during the current $\frac{1}{2}$ -year to complete the equipment of the remainder of the cars with the regulation coupler. This expenditure has been a heavy drain upon us, but it is an expenditure which is imposed by the Legislature of the United States, & it is impossible for us to do anything otherwise than accept it. I may say that all the new

stock realized during the $\frac{1}{2}$ -year, to £143,800. I would call your attention to this—that during the recent few months we have been able to exchange for 4% debenture stock a large number of our terminable bonds carrying rates of interest at 6 & 5%, with the result that a saving of £4,500 a year has been effected in our interest charges. Another million of terminable 5% bonds will fall due within the next two years, & their redemption will no doubt result in a further considerable saving, & then after that there is a still further larger quantity of bonds which will be dealt with in the same way.

Turning now to the revenue portion of the accounts, the gross receipts have satisfactorily increased over those of the corresponding $\frac{1}{2}$ -year, showing that the favorable business conditions which have existed for some time past have continued during the past $\frac{1}{2}$ -year. The passenger traffic has increased by £33,704, & the average fare per passenger is slightly increased. The receipts from freight & live stock traffic increased by £107,448. There has not been much variation in the volume of American or through freight traffic carried in comparison with the June $\frac{1}{2}$ -year of 1899. It only increased by 9,876 tons, or $\frac{3}{4}$ of 1%, but the local traffic was larger by 329,000 tons, or 9½%. The average gross rate per ton per mile was 1-5 of a mill, or 3-4% better than in the corresponding $\frac{1}{2}$ -year, caused by the more remunerative rates received from the local traffic, which, as I have just said, increased in a larger ratio than the through traffic. The receipts on account of express business show the gratifying increase of £7,638, & the miscellaneous receipts an increase of £7,683. The west-bound merchandise in the U.S. has fallen off considerably of late, owing, it is said, to the over-stocking of commodities in the West during the last fall & winter, & to high prices. On our own line, while the east-bound through traffic increased by 39,867 tons, the west-bound traffic decreased by 29,991, necessitating the return haulage of a larger number of empty west-bound cars, from which no revenue is derived, & thereby increasing the percentage of working expenses.

The increase in the gross receipts has to a large extent been neutralized by enhanced working expenses, caused partly by the larger train mileage run, but principally by the increased cost of fuel & rails, & in fact, all material required for the working of the traffic & the maintenance of the line. Rails, for instance, in the last $\frac{1}{2}$ -year, as contrasted with the corresponding $\frac{1}{2}$ -year of 1899, ranged at about an average of 69% higher, & the price of all other railway materials increased, as well as timber, in a very large degree; besides which, I may mention that we purchased a larger amount of material in 1900 than we



GEORGE BELL REEVE,

The newly-appointed General Manager of the Grand Trunk Railway System.

cars built in our own shops, or purchased on renewal account, include, as part of their fittings, the air brake & automatic coupler. The supply of suitable cars for the proper conduct of our coal supply is quite inadequate for the Co.'s requirements, & the board, at the request of the General Manager, has authorized the purchase on capital account of 300 double-hopper coal cars of modern design, from which considerable economy in the transport & handling of fuel is anticipated. The total charge to capital on the accounts now presented to you amounts, after crediting £14,000 for premium received on debenture