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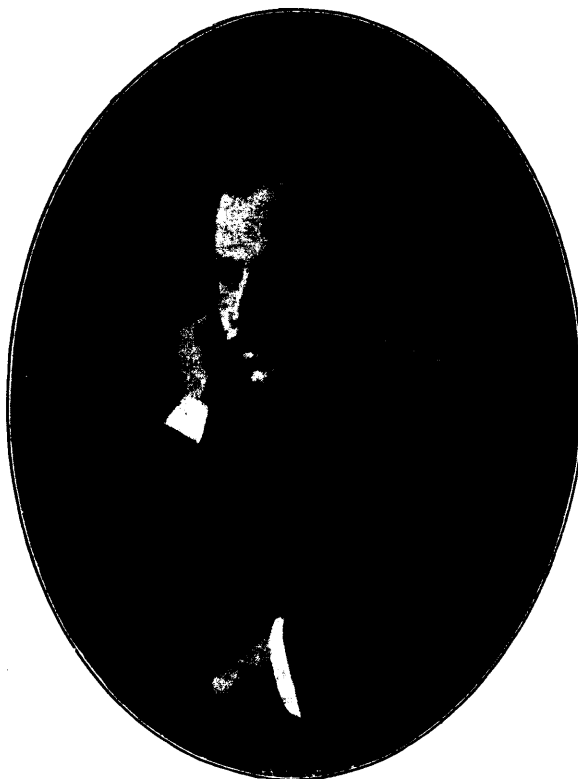
G. T. R. SEMI-ANNUAL MEETING.

At the semi-annual meeting in London, Eng., Oct. 9, the President, Sir C. Rivers Wilson, moved the adoption of the report and accounts, which were published in our last issue. Following are extracts from his remarks:

The principal feature of the last half-year's accounts is that, although we have received a very large increase of revenue, there has been a large corresponding increase of expenses, which has gone far to neutralise the beneficial results which we might have expected under ordinary conditions. The gross receipts were £2,778,080, an increase of £400,879, or 16.86%. The receipts from passengers and mails and express traffic increased £92,425, or 13.06%, and the freight and live stock receipts increased £306,735, or 19.19%. There has been also a slight increase in miscellaneous receipts. The number of passengers carried increased by 434,639, or 12.33%, accompanied by a slight increase in the average fare received per passenger from 3s. 5d. in 1902, to 3s. 5¼d. in 1903. The freight and live stock traffic showed an increase of 1,070,016 tons, or 18.85%, and there was also a small increase in the rate received per ton, from 5s. 7½d. in 1902, to 5s. 7¾d. in 1903. I have on previous occasions referred to the improvement which has been made in the capacity of the locomotives and cars, and it is owing to that improvement more than to anything else—an improvement which is still progressing—that we have been able satisfactorily to deal with the enormous increase which has taken place in the traffic. The working expenses for the half-year were £1,995,032, or 71.81% of the gross receipts, compared with £1,603,612 or 67.45% in the corresponding period, an increase of £391,420, or of 4.36 in percentage to gross receipts. Of the total increase of £391,420 in expenses, £330,601, or 84.46%, has taken place under the head of conducting transportation; the other principal item of expenditure, the maintenance of way and maintenance of equipment, showing a reduction in their proportion to gross receipts. Of this increase in the cost of conducting transportation, £199,129 represents fuel for locomotives, of which £146,350 was caused by increased price or by the inferior quality of coal obtainable, £43,555 by increased train mileage run to accommodate the traffic, £5,885 by increased rates of wages paid for labor in handling coal, and £3,338 caused by additional delays on the road and at terminal points owing to the congestion arising from the large increase in the traffic. During the past half-year we have been enabled to make our fuel contracts for the ensuing year on terms which, though

higher than in previous years, are considerably less than the prices we were compelled to pay from last Nov., when our trouble in this respect commenced, to the end of April. There is another serious increase in the cost of transportation, viz., wages, which amount to £77,017. The continued prosperity of Canada has naturally led to increases of the wages of all classes of workmen, and railway companies, with their increasing revenues are, of course, not exempt from demands of their employes to participate in the improved conditions, and, in addition, there is, in prosper-

in the amount of work done, is inconsiderable. The amount expended in the maintenance of way and structures increased £35,548, a decrease of 0.19% in proportion to gross receipts. There has been charged to this account, and credited to the renewal of bridges account, £15,000, which was not included in the corresponding period, and which accounts for a considerable proportion of the increase under this head. Two years ago it was arranged that we should set aside for a period of five years £66,000 a year for the improvement and renewal of bridges, and we have, owing to the prosperity of the company, been able to somewhat anticipate that, and we have now over and above this special allocation, set aside an additional £45,000, thereby curtailing, pro tanto, the period over which these excessive expenditures will be incurred. Maintenance of equipment increased £11,440, but the proportion to gross receipts decreased 2.23%. The maintenance of locomotives decreased £2,573, and of cars increased £14,013. During the year we have completed in our own shops 20 freight locomotives, as against 17 old engines which have been sold or broken up. We have also been able to make satisfactory progress in renewal and construction of passenger and freight car stock, which had been delayed owing to the difficulty of obtaining materials, and instead of a deficiency in the passenger car stock of 104 cars, as in 1902, there is now only a deficiency of 79, and instead of a deficiency of 683 freight cars of a year ago, we had at June 30 last a surplus of 1,119, all of much greater capacity than those which they replaced. The result of these increases in expenses is that our net traffic receipts show only an increase of £9,459. The expenditure on capital account during the half-year was £123,481, which was reduced by the premium on debenture stock sold to £104,397. The principal item of the expenditure was £65,581, on account of double track, of which £44,159 was in respect of the line between Whitby and Port Hope on the main line between Montreal and Toronto, and £21,422 for the line between Hamilton and Niagara Falls. The work on the last-named section has been completed, and we are having the full benefit of it in the handling of the traffic, and we have been able during the past six months to make more satisfactory progress with the work between Whitby and Port Hope, which is more in the nature of a diversion of the line than of simple double-tracking. The grading of this portion has been practically finished, and it is expected that the whole work will be completed this season, and that before the close of the year we shall have the use of the new tracks. When this has been completed, the



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ous times, considerable difficulty in obtaining and retaining the men necessary to carry out efficiently the working of the traffic. Under these circumstances we have been compelled to make considerable increases in the pay of different classes of our employes. Deducting these two items of £199,129 for the increased cost of fuel, and £77,017 for increased wages, which are practically beyond the control of the board, from the total increase of £330,601 for conducting transportation, there only remains an increase of £54,455 in the other items, which, looking to the very large increase