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Meetings.

GRAND TRUNK RAILWAY COMPANY OF CANADA.
The following is the Report of this Company for the half-year ended June 30 1867:

	June half of 1866.	1867.
1. The gross receipts upon the whole undertaking, including the Buffalo and Champlain lines have been	£637,425	609,121
Deduct the ordinary working expenses, (being at the rate of 70-53 ¢ cent.)	403,419	429,792
Leaving a balance of	£234,006	179,329
Deduct—the renewals of the manent way and works in the half-year (all debited to revenue)	26,206	54,973
	£207,729	124,356
Deduct amounts paid for loss by fires at Sarnia and Toronto		10,274
Leaving an available net balance of	£207,720	114,082
2. From this amount, to which has to be added the balance from last half-year, viz., £925, in all		£114,407
Has to be deducted for loss on American currency		21,554
Leaving a cash balance of		£92,853
From this again has to be deducted:		
For amount of postal and military revenue for half-year due to the holders of postal and military bonds		18,150
Leaving the balance of		£74,702
As against this sum, there has been paid out or is payable:		
For interest, &c., on lands	£1,763	
Do. Mortgage to Bank Upper Canada	4,424	
Do. Loans, bankers' balances, promissory notes, European Exchange, &c.	3,658	
Do. British American Land Company's debentures	616	
Do. Montreal Seminary debentures	616	
Do. Island Pond debentures	2,700	
For half-yearly instalment on Portland sinking fund	2,312	
	£16,089	
For proportion due to Champlain Company	6,051	
For proportion due to Buffalo Company	15,424	
	£37,564	
For Atlantic and St. Lawrence lease (in full)	32,787	
For Detroit line lease (in full)	11,250	
For Equipment Bond interest	10,779	
		92,379
Leaving a debit balance against the half-year's net revenue of		£17,677

As under the "Arrangement Act, 1862," the accounts are annual, and have to be made up to the 31st December, and as the gross revenue of the second half-year has averaged 14½ per cent. more than the first half, this balance will be carried forward, and the rents and interest on the leased lines and equipment bonds will be paid when due. The following figures give the details of gross revenue in the first and second halves of the years 1862-'66:

1862—June	£382,992
1862—December	439,361
Excess of 2nd half-year	£56,369
or 14.71 per cent.	
1863—June	£456,222
1863—December	510,580
Excess of 2nd half year	£54,358
or 11.91 per cent.	
1864—June	£528,301
1864—December	618,238
Excess of 2nd half year	£89,937
or 17.02 per cent.	
1865—June	£614,876
1865—December	714,780
Excess of 2nd half year	£99,904
or 16.24 per cent.	
1866—June	£637,425
1866—December	719,370
Excess of 2nd half year	£81,945
or 12.85 per cent.	

It will be observed that but for the increased charge for renewals of £28,667 as compared with the corresponding period of 1866, there would be a balance to the credit of the net revenue account of £10,990; and, but for the wholly exceptional debit for losses by fire mentioned below, this credit balance would be increased to £21,769. It is gratifying to find that during the last few weeks the traffic has again exhibited the rates of increase usual in the autumn months. The figures are—

Weeks ended	1867.	1866
September 7	£28,266	£26,194
Do 14	31,690	28,606
Do 21	30,859	30,377
	£90,815	£85,177

The increase is therefore £5,638, or say 7 per cent. Considering the prolific harvest, just secured, both in Canada and the United States, there is every reason to believe that these favourable returns will be maintained. The exceedingly defective harvest of 1866 throughout the United States, and also in Canada, has, beyond question, been the chief reason of the smaller gross earnings of the present year. By the aid of the financial arrangements reported at the last meeting, the Directors have been enabled to contract for the delivery in Canada, during the next few months, of 25 new locomotive engines, to meet increase of traffic.

3. In comparing the results of the half year's working with the corresponding period of 1866, the following facts are arrived at:

1st. The gross traffic is less by about £28,000. From this sum, however, must be deducted a lesser share of receipts due to the postal and military bondholders of £12,000, leaving about £16,000 as the falling off in the "through freight" traffic.

2nd. The working expenses are more by about £26,000. This increase is due in part to enhanced price of fuel, and an augmented rate of wages, and in part to the disordered state of the country, and the cost and loss of time involved in arming and drilling the Company's employes in support of the Queen's authority.

3rd. The whole of the renewals are charged to revenue in accordance with the views of the last half-yearly meeting. A total length of 55½ miles has been relaid in addition to the ordinary maintenance of way. This causes a special and extra deduction from available revenue of £28,000. And

4th. It will be seen that the losses already paid in connection with the serious fires at Toronto and Sarnia, have absorbed no less a sum than £10,000. The claims arising out of these fires were resisted by the Company, and up to a certain point with success.

4. It should be mentioned, in connection with the falling off in this Company's gross receipts, that nearly the whole of the American lines show heavy decreases for the half year ended June last as compared with the same period for 1866; 10 of the Trunk lines, including the Erie, the Michigan Central and Southern, the Ohio and Mississippi, the Illinois Central, and the Chicago and Fort Wayne, showing in the aggregate a decrease in their gross revenue of £214,369. As regards fuel, an increased quantity of coal is being sent out, and experiments are being made with peat and petroleum. Reports have been made which would indicate that peat will be found to be available at a considerable reduction on the present price of wood, but a lengthened experience only can solve the question. In regard to charging the whole cost of the renewals, the Directors have assumed, in making up the accounts, that the bondholders consider that the time has come when revenue must bear all expenditure of every kind, in strict accordance with the Arrangement Act. It may be mentioned in connection with the losses by the fires at Toronto and Sarnia that arrangements have been completed for a floating policy of insurance so as to cover goods in transitu, and in warehouses, &c.

5. The average receipt from passengers in the half year was 6s. 8d. per head against 7s. in 1866—and the average receipt per ton of freight was 15s. 8d. as compared with 15s. 10d. in June, 1866.

6. The amount of loss for discount on the American currency is again very heavy, being £21,554 against £14,264 in the corresponding half of last year. The total loss sustained by the Company from 1862 to 30th June last in American currency amounts to no less a sum than £311,938, and the Directors cannot refrain from again referring to this most serious but inevitable and unforeseen loss as the real origin of most of the present difficulties of the Company. The price of gold during the half-year fluctuated between 132 and 140½. It will have been observed that the price has lately been rising, but there is ground for believing that with the movement of the crops, which must shortly be taking place, there may be an equally steady decline.

7. By the Arrangements Act, 1862, the interest on the preference bonds and stocks, not paid in cash for the June half-year, remains undealt with until the close of the December half-year.

8. In accordance with the resolution passed at the special meeting of the Company on the 30th May last, a draft bill has been prepared for submission to the Canadian Parliament during the coming session. This bill embodies the several matters contained in the resolution then almost unanimously adopted, but provision is made in it for the existing equipment mortgage bonds to remain in all respects undisturbed, and not to form part of any new issue of similar bonds as was at first proposed. Power is also taken, subject to the necessary sanction and previous approval of the bond and stockholders of proposals to be submitted to them, to consolidate the preference bonds and stocks by conversion into an uniform preference debenture stock, as well as to vary the terms of the agreement with the Champlain and Buffalo and Lake Huron Companies. But the board propose that the act, if passed, shall be subject to thorough sanction on the part of the bond and stockholders before it can come into operation. Practically, it will be simply a permissive act. The Canadian Parliament, it is expected, will meet for a short session in November next, when the bill will be introduced.

9. The heads of the proposed agreement with the Great Western Railway Company are printed herewith for the consideration of the Proprietors, who will have to adopt, or refuse to conform, to such agreement.

10. It will be remembered that Captain Tyler, R. E., was, at the suggestion of the board, unanimously invited by the bond and stockholders attending the last half-yearly meeting to proceed to Canada