

amount of working expenses—£738,000—there remains a net profit of £334,899. That is a very large amount for a June half-year. Not very long ago a statement was brought to my notice, in one of what are called the "Society" papers, to the effect that the Grand Trunk Company did not earn enough money to pay for the grease on its wheels. I think £334,899 is a very respectable sum of money with which to grease our wheels for a half-year. (Hear, hear.) And the most satisfactory part of it is that it affords a full dividend upon the First Preference for the Half-year and also upon the Second Preference; and this is the first June half-year in which we have ever done anything like earning a full dividend for our Second Preference Stocks. I shall propose a resolution by-and-bye, asking you to allow these to be paid on October 12; and I can assure you that it is more gratifying to us to be able to pay this amount of Second Preference interest in the first half-year than it will be to you to receive the money when you get it. (Laughter.)

You will see from paragraph 6 of the Report that the length of line worked by the Company has been increased from 1,273½ miles last year to 1,406 this year. That arises from the fact that we have taken over the working of certain other lines—namely, the Montreal and Champlain Junction Railway, the Michigan Air Line Railway, and the Grand Trunk Georgian Bay and Lake Erie Railway. I may mention that the Montreal and Champlain Junction line was completed during the half-year to St. Isidore, and a further section of it to St. Martine is in progress. Then the Michigan Air line, thirty-six miles long, has been completed to