

the presence of the South African contingents in Halifax during the past year.

The lighting system shows a satisfactory increase, the equivalent of 2408 16 c.p. lamps having been installed during the past year, making a present total installation the equivalent of 19675 16 c.p. incandescent lamps throughout the city.

Mechanical stokers with forced draft have been placed under four boilers, & the power station equipment has been increased by one 750 h.p. condenser. Line transformers 97000 Watts capacity & 125 meters have been installed. Vestibules have been placed upon all box cars. All of which has entailed an expenditure of \$14,511.84, charged to construction account.

In consequence of the death of Dr. A. Haley, a vacancy occurred on the board of directors. This has not been filled, owing to the suggestion made at a previous meeting of shareholders that it was a matter for consideration whether the number of directors might not be reduced as vacancies occurred.

The old board of directors was re elected, J. C. MacIntosh succeeding the late Dr. Haley. The board for 1901 is, President, Hon. D. MacKeen; Vice-Presidents, J. Y. Payzant & W. B. Ross; Secretary, B. F. Pearson; other directors, F. Paul, A. Kingman, J. C. MacIntosh. F. A. Huntress continues as manager.

MANITOBA'S RAILWAY POLICY.

The leasing of the Northern Pacific lines and re-leasing to the Canadian Northern.

The most important event of the month in railway matters has been the announcement of the contracts entered into by the Manitoba Government, under which the Government has leased all the lines of the Northern Pacific Ry. within the Province, & has released them to the Canadian Northern Ry.

The Northern Pacific entered Manitoba as a culmination of the anti-disallowance agitation which raged there in the eighties. In 1887 the Legislature passed a bill introduced by Premier Norquay, empowering the Railway Commissioner of the Province to build, as a public work belonging to the Province, the Red River Valley Railway from Winnipeg along the west side of the Red River to the International Boundary at West Lynne. Work was started on this line under Mr. Norquay as Railway Commissioner, & was continued under the Greenway Government which succeeded his. In 1888 the Greenway Government made a contract with the Northern Pacific & Manitoba Ry. Co., a subsidiary of the Northern Pacific R. R. Co., under which the Province was to complete the Red River Valley Ry. from the International Boundary to a point on the south side of the Assiniboine River within the city of Winnipeg, & to sell the line, with a limited amount of equipment, to the N. P. & M. R. Co. for \$720,000, to be paid for by 1st mortgage bonds of the Co. on the line, payable in 20 years with interest at 5%. The Co. agreed to bridge the Assiniboine River at Winnipeg, the Government contributing \$40,000 as a bonus, & to continue the line to the north side of the river. The Government agreed to secure right-of-way from a point on the Red River Valley Ry. near Winnipeg to Portage la Prairie, & to pay on behalf of the Co. for the construction of a railway between those points & in purchasing equipment for it, such payments not to exceed \$400,000, any cost in excess of this to be borne by the Co. except that the Government agreed to contribute \$40,000 towards bridging the Assiniboine River, near Portage la Prairie. The Co. agreed to construct a railway from the Red River Valley Railway, near Morris, to Brandon. The Co. was empowered to issue bonds to the extent of \$16,000 a mile, the \$720,000 of bonds issued on the Red River Valley Ry. to be given to the Government in payment therefor to be 1st mortgage bonds & the balance of \$320,000 to be 2nd mortgage bonds. The Government agreed to guarantee the interest on these 2nd mortgage bonds at par, & also to guarantee the interest on bonds on the Portage la Prairie branch to the extent of \$6,400 a mile and also on bonds of the Morris-Brandon branch to the extent of the amount required to make up \$6,400 a mile for the whole of the railways mentioned in the agreement, including the Red River Valley line. The Co. was given important taxation exemptions for 20 years & the Manitoba Government was empowered to fix & regulate all freight charges on the lines mentioned.

Under the contract above summarized the following lines were constructed:

International Boundary to Winnipeg.....	Miles. 65.94
Morris to Brandon	145.24
Portage Jct. to Portage la Prairie.....	52.52
	263.70

Subsequently the N.P. & M. Co. through a subsidiary, the Winnipeg Transfer Ry. Co., built a connection of 1.24 miles between the N.P. terminal in Winnipeg & the C.P.R. Within the last two or three years three short branches have been built, one from Departure, on the Morris-Brandon branch, to Hartney, on the C.P.R. Souris branch, 51 miles; one from Portage la Prairie, northwesterly to Beaver, 19 miles, & one from Portage la Prairie, northerly to Oakland, 9 miles, making the Co.'s total mileage in the Province 344.94 miles.

Figures as to the cost of the N.P. lines in Manitoba vary considerably. The returns made by the Co. to the Department of Railways state the cost up to June 30, 1900, to have been \$4,556,698.76. In the agreement between the Manitoba Government & the N. P. Co., the value of the lines is placed at \$7,000,000, while in Premier Roblin's recent speech at Neepawa, which is given on another page, the cost was stated as \$8,445,613.04. In making up the latter figures, capital stock & other items are counted in. The return made by the N.P. Co. to the Department of Railways is a sworn one, & in the absence of evidence to the contrary must be accepted as reliable.

The aid given by the Manitoba Government to the line up to June 30, 1900, was \$632,750. Of this, according to a speech made in the Legislature in April, 1898, by the then Premier, Mr. Greenway, \$532,250 was given to the line between the International Boundary & Winnipeg & to the Brandon & Portage la Prairie branches. The remainder was given to subsequent extensions, principally to the branch from Departure to Hartney.

The N.P. Co. did not receive any municipal aid in Manitoba, but the Hudson's Bay Co., through its then Land Commissioner, the late C. J. Brydges, sold most of the land for the Winnipeg terminals for a nominal consideration.

The earnings of the N.P. lines in Manitoba for the past four years have been as follows:—

Year ended.	Gross Earnings.	Operating Expenses.
June 30, 1896..	\$271,560.00	\$268,623.00
" 1897..	246,627.59	234,162.38
" 1898..	315,876.97	323,528.87
" 1899..	378,724.23	398,577.59
" 1900 ..	391,947.40	577,525.61

\$1,604,736.19 \$1,892,417.45
Net loss in operating for five years, \$287,681.26.

Contract With the Northern Pacific.

Following is the agreement between the Manitoba Government & the Northern Pacific Ry. Co. divested of some of the legal verbiage:—

This indenture, made Jan. 15, 1901, between the Northern Pacific & Manitoba Ry. Co., the Winnipeg Transfer Ry. Co. Ltd., the Portage & Northwestern Ry. Co. & the Waskada & Northeastern Ry. Co., together hereinafter called the lessors of the first part; the Queen, represented herein by the Executive Government of the Province of Manitoba, acting by the Minister of Public Works of the Province, hereinafter called the lessee, of the second part, & the Northern Pacific Ry. Co., hereinafter called the Pacific Co., of the third part.

Whereas the lessors are respectively the owners of & operate certain railways in Manitoba, hereinafter demised, & such railways connect with each other & are operated as one system, the interests of the lessors being common interests in connection with said system; & whereas certain mortgage bonds have been issued by the Northern Pacific & Manitoba Ry. Co., one of the lessors, secured by mortgage upon its railways & undertak-

STATISTICAL STATEMENT.

	1897	1898	1899	1900
Gross receipts.....			\$203,935.86	\$232,111.21
Railway, light & power.....		\$197,830.46		28,175.35
Increase 1900 over 1899.....			11,137.16	128,134.67
Operating expenses.....			15,997.48	15,997.48
Increase 1900 over 1899.....			14.26%	14.26%
Operating expenses.....		59.06	55.12	55.60
Per cent. of total earnings.....		84,748.51	91,798.6	104,631.93
Net earnings.....	57.11	86,808.77	2,616.23	2,968.81
Increase 1900 over 1899.....			4.5	354.86
Passengers carried.....			4.91	4.55
Increase 1900 over 1899.....			13.98%	13.47%
Average receipts per passenger.....			613.94	612.149
(Reduced rates in 1899 and 1900).				
Car Mileage.....	575,017	593,608		

ASSETS.	
Property.....	\$1,400,000.00
Construction account.....	74,471.26
Accounts receivable.....	21,242.96
Supplies on hand.....	10,079.68
Suspense accounts.....	6,426.79
Deposit with city.....	500.00
Cash on hand.....	51,061.62
	\$1,561,782.31

LIABILITIES.	
Capital stock.....	\$ 800,000.00
Five per cent. bonds.....	600,000.00
Accounts payable.....	28,455.64
Securities for lighting account.....	66.74
Tickets outstanding.....	1,081.84
Bond interest.....	15,000.00
Quarterly dividend due Jan. 1, 1901.....	10,000.00
Surplus Jan. 1, 1901.....	107,178.49
	\$1,561,782.31

INCOME ACCOUNTS.	
Passenger receipts.....	\$ 135,173.95
Light & power earnings.....	96,464.86
Sundry railway earnings.....	472.40
Sundry receipts.....	655.39
	\$ 232,766.60
Operating expenses.....	\$ 128,134.67
Coupons.....	30,000.00
Four dividends.....	40,000.00
Surplus.....	34,631.93
	\$ 232,766.60