

they have appeared up to the present time, to the other side of the account in reduction of the item "Cost of Railway and Equipment." After providing for the outstanding land grant bonds the balance of the proceeds of sales amounting to \$7,676,552 is a free asset, and may properly be classed with your surplus, available for any purpose.

Of the additional \$25,500,000 ordinary capital stock authorized at the last annual meeting, the amount of \$16,900,000 was offered to the shareholders at par, and all was subscribed for excepting 2,500 shares, which will be sold in the open market.

Your directors recommend that an amount equivalent to 15% of the last issue of ordinary share capital, or \$2,535,000 be transferred, as was done in the case of the previous issue, from the accumulated surplus earnings; this amount to be transferred to a special fund for improvements, and for such other purposes as may conduce to the company's advantage.

In accordance with the by-laws the following directors will retire from office at the approaching annual meeting; they are eligible for re-election: C. R. Hosmer, Hon. R. Mackay, D. McNicoll, R. G. Reid. The company sustained a serious loss by the death in March last of G. R. Harris, who had been a member of your Board since 1885. He was always an active and zealous member of the board, and at all times evinced the greatest interest in the welfare of the company.

CONDENSED BALANCE SHEET.

Cost of railway and equipment.....	\$275,837,497 22	
Less amount subsidies and bonuses received.....	\$ 30,752,195 07	
Less proceeds of land sales expended in construction.....	36,193,521 00	
	\$66,945,716 07	
Ocean, lake and river steamships.....	\$15,217,113 18	
Less amount applied in reduction of cost.....	2,268,224 69	
	12,948,888 49	
Acquired securities held (cost): Properties held in trust for the company.....	1,935,608 24	
Deferred payments on land and townsite sales.....	\$14,659,179 63	
Advances:		
To Duluth, South Shore & Atlantic Ry., car trust, etc.....	236 213 19	
Material and supplies on hand.....	8,191,297 27	
Station and traffic balances, accounts receivable.....	3,870,440 19	
Imperial and Dominion Governments: Accounts due for mail transportation.....	254,612 42	
Cash in hand.....	16,496,291 41	
	\$319,784,846 21	

In addition to the above assets, the company owns 10,863,977 acres of land in Manitoba and the Territories (average sales past year \$4.80 per acre) and 3,681,480 acres in British Columbia.

Capital stock.....	\$84,500,000 00	
Payments on subscription to new issue capital stock.....	\$16,900,000 00	
4% preference stock.....	14,238,074 00	
4% consolidated debenture stock.....	37,853,333 33	
First mortgage bonds, 5%.....	\$34,998,633 33	
Canada Central Ry., 6%.....	973,333 33	
Due Province of Quebec on O.M.O. & O. & North Shore Ry.....	7,000,000 00	
Algoma branch, 1st mortgage.....	3,650,000 00	
North Shore Ry., 1st mortgage.....	616,119 67	
	47,238,086 33	
Land grant bonds—		
Guaranteed 3½% land bonds.....	15,000,000 00	
Less amount paid Dominion Government towards redemption.....	7,000,000 00	
	8,000,000 00	
Current accounts, pay rolls and traffic balances.....	8,183,221 95	

Interest on funded debt and rental of leased lines—		
Coupons due July, 1905, and including coupons overdue, not presented.....	1,484,203 94	
Accrued to date, not due.....	284,879 96	
	1,769,083 90	
Equipment replacement fund.....	874,279 55	
Steamship replacement fund.....	340,666 67	
Land grant—		
Sales of land and town sites.....	7,676,552 25	
Surplus.....	19,910,998 91	
	\$319,784,846 21	

FIXED CHARGES FOR YEAR ENDED JUNE 30.

1st Mortgage Bonds 5% due July 1, 1915..	\$ 1,749,931 66	
Province of Quebec, 4½%.....	283,500 00	
Canada Central Ry. 2nd mortgage 6% bonds due Nov. 1, 1910.....	58,400 00	
St. Lawrence & Ottawa Ry. 4% 1st mortgage bonds due June 15, 1910.....	38,933 34	
Man. Southwestern Colonization Ry. 1st mortgage 5% bonds due June 1, 1934.....	127,200 00	
Toronto, Grey & Bruce Ry. rental.....	140,000 00	
Ontario & Quebec Ry. Debenture Stock 5% Ontario & Quebec Ry. (Ordinary Stock) 6%.....	975,129 56	
	120,000 00	
Atlantic & North-West Ry. 1st mortgage bonds (less Government proportion) due Jan. 1, 1937.....	136,333 34	
Algoma Branch 5% 1st mortgage bonds due July 1, 1937.....	182,500 00	
Rental Calgary & Edmonton Ry.....	138,357 60	
Rental, Farnham to Brigham Jct.....	1,400 00	
Rental, Mattawamkeag to Vanceboro.....	2,800 00	
Rental, New Brunswick Ry. System.....	372,829 74	
Rental of terminals at Toronto.....	31,553 64	
Rental of terminals at Hamilton.....	33,754 40	
Rental, Hamilton Jct. to Toronto.....	40,027 86	
Rental St. Stephen and Milltown Ry.....	2,050 00	
Rental Lindsay, Bobcaygeon & Pontypool Ry.....	9,661 54	
Rental, Lachine Canal branch.....	1,021 80	
Interest on Montreal & Western Ry. purchase.....	19,235 77	
Interest on equipment leases.....	146,643 00	

4% CONSOLIDATED DEBENTURE STOCK.

Interest from July 1, 1904.....	\$3,313,675 36	
Interest from Jan. 1, 1905.....	16,127 15	
	\$3,329,802 51	
Less received from subsidy Northern Colonization Ry.....	8,000 00	
	\$3,321,802 51	
	\$7,954,065 76	

EARNINGS FOR YEAR ENDED JUNE 30, 1905.

Passengers.....	\$13,583,052 11	
Freight.....	31,725,290 10	
Mails.....	793,896 48	
Sleeping cars, express, elevators, telegraph and miscellaneous, including profit from ocean steamships.....	4,469,643 56	
Total.....	\$50,481,882 25	

WORKING EXPENSES FOR YEAR ENDED JUNE 30.

Conducting transportation.....	\$16,905,848 92	
Maintenance of way and structures.....	8,527,035 07	
Maintenance of equipment.....	6,616,257 76	
Parlor and sleeping car expenses.....	172,123 61	
Expenses of lake and river steamers.....	515,397 02	
General expenses.....	1,634,698 91	
Commercial telegraph.....	635,432 50	
Total.....	\$35,006,793 97	

DESCRIPTION OF FREIGHT FORWARDED.

	1905	1904
Flour, brls.....	5,010,868	5,270,432
Grain, bush.....	59,739,180	52,990,151
Live stock, head.....	1,360,560	1,314,814
Lumber, ft.....	1,435,758,930	1,267,804,321
Firewood, cords.....	261,794	270,803
Manufactured articles, tons.....	3,250,067	3,119,659
All other articles, tons.....	3,894,250	3,620,515

FREIGHT TRAFFIC, YEAR ENDED JUNE 30.

	1905	1904
No. of tons carried.....	11,892,204	11,135,896
No. of tons carried one mile.....	4,155,256,309	3,809,801,952
Earnings per ton per mile.....	0.76 cts.	0.77 cts.

PASSENGER TRAFFIC, YEAR ENDED JUNE 30.

	1905	1904
No. of passengers carried.....	6,891,511	6,251,471
No. of passengers carried one mile.....	736,774,844	677,940,496
Earnings per passenger per mile.....	1.84 cts.	1.83 cts.

TRAIN TRAFFIC STATISTICS.

		Increase or decrease. Per cent.
Passenger trains.....	9,797,618	11.17+
Freight ".....	14,429,739	4.40+
Mixed ".....	1,537,781	1.70—
Total trains.....	25,765,138	6.53+

CAR MILEAGE.

PASSENGER—		
Coaches and P.D. and S. cars.....	47,640,910	10.08+
Combination cars.....	2,012,194	6.96—
Baggage, mail and express cars.....	18,102,150	14.99+
Total passenger cars.....	67,755,254	10.74+
FREIGHT—		
Loaded.....	262,519,047	7.86+
Empty.....	71,001,171	16.70+
Caboose.....	15,390,124	4.69+
Total freight cars.....	348,910,342	9.40+

Passenger cars per traffic train mile.....	5.98	1.36+
Freight cars per traffic train mile.....	21.85	5.35+

PASSENGER TRAFFIC.

Passengers carried (earning revenue).....	6,800,427	10.47+
Passengers carried (earning revenue) one mile.....	724,981,215	8.74+
Passengers carried (earning revenue) one mile per mile of road.....	85,437	3.17+
Average journey per passenger.....	106.60	1.57—
Average amount received per passenger.....	\$ 1.91	1.04—
Average amount received per passenger mile.....	cts. 1.79	.56+
Average number of passengers per train mile.....	63.96	.48—
Average number of passengers per car mile.....	14.90	.86—
Revenue from passengers per passenger car mile.....	cts. 26.71	.15—
Total passenger train earnings per train mile.....	\$ 1.40	
Total passenger train earnings per mile of road.....	\$ 1,864.30	3.57+

FREIGHT TRAFFIC.

Tons of revenue freight carried one mile.....	4,018,602,710	9.47+
Tons non-revenue freight carried one mile.....	777,323,013	25.80+
Total tons (all classes) freight carried one mile.....	4,795,925,723	11.83+
Tons of revenue freight carried one mile per mile of road.....	472,432	4.16+
Tons of non-revenue freight carried one mile per mile of road.....	91,418	19.23+
Total tons (all classes) freight carried one mile per mile of road.....	563,850	6.33+
Average amount received per ton per mile of revenue freight.....	cts. 0.767	.78—
Average no. of tons of revenue freight per train mile.....	251.69	5.42+
Average no. of tons of non-rev. freight per train mile.....	48.68	21.12+
Average no. of tons of (all classes) freight per train mile.....	300.37	7.68+
Average no. of tons of revenue freight per loaded car mile.....	15.31	1.53+
Average no. of tons of non-rev. freight per loaded car mile.....	2.96	16.53+
Average no. of tons of (all classes) freight per loaded car mile.....	18.27	3.69+
Freight train earnings per loaded car mile.....	cts. 11.75	.86+
Freight train earnings per train mile.....	\$ 1.93	4.32+
Freight train earnings per mile of road.....	\$ 3,627.04	3.39+
+ Increase. — Decrease.		

Earnings of lake and river steamers not included in this statement.

	1905	1904
Mileage included in C.P.R. traffic returns.....	8568.0	8332.0
Mileage of other lines worked.....	438.0	438.0
Mileage under construction.....	481.4	338.5
	9487.4	9108.5

Mileage of Minneapolis, St. Paul & Sault Ste. Marie Ry.....	1829.2	1648.1
Mileage of Duluth, South Shore & Atlantic Ry.....	565.0	565.0
Total.....	11,881.6	11,321.6

The Canadian Fairbanks Co. has shipped a complete machine shop equipment consisting of power steam hammers, punch and shear lathes, drill presses and a full set of small tools to the Fiji Islands.

The Westinghouse Companies' Publishing Department issued a special booklet describing in a general way the lines of apparatus and machinery for construction and operation of electric railways, for the recent meeting of the American Street Railway Association at Philadelphia. It has also issued circular 1120 describing no. 113 railway motor for direct current service; and circular 1123, describing Westinghouse prepayment Watt meters.