

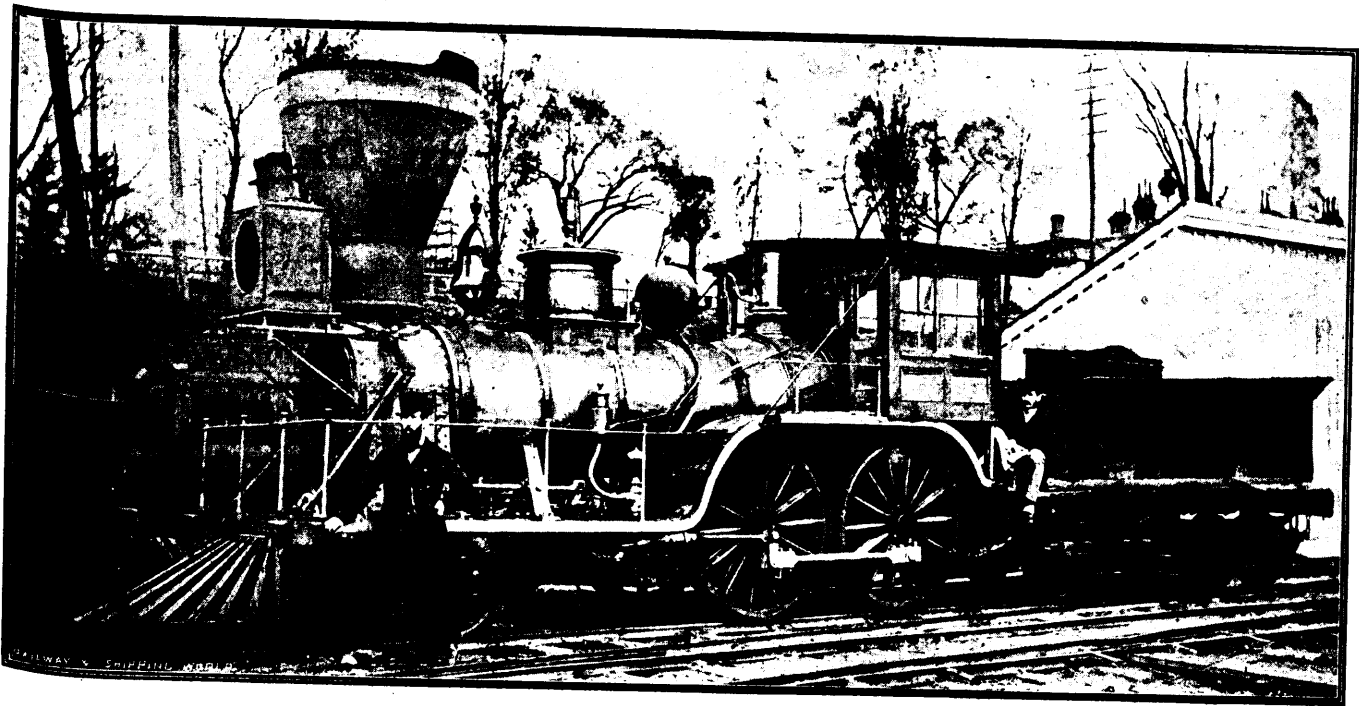
will quicken the movement of cars in a homeward direction, as after two months' trial all the large railways find that they have on hand available for traffic a much greater number of their own cars, enabling them to use a smaller number of foreign cars than at same date last year, while they are all doing a largely increased business. By way of affording owners a special means of quickening the homeward run of delayed cars, rule 3 of the per diem code, gives all railways the option of serving a notice upon any road which has held their car 20 consecutive days, to the effect that if said car is retained for 10 days longer—making 30 days in all, a penalty rate of 80 cents a day will accrue for each day so held, in addition to the ordinary rate of 20 cents a day. It is not expected that this penalty clause will be put into operation at all times and on all classes of cars, although some western roads have given notice of their intention to do so; the majority are inclined to use it only in cases where their cars are misused, or are unduly delayed, or if the home road is suffering for want of them:

considerable increase of clerical force in m.c.b. offices, has greatly reduced delay to cars and freight, and has thus removed one of the ordinary objections previously made to the adoption of the new system.

It is early yet to risk a prophetic utterance as to the future of per diem, and prophets now-a-days have been discounted so often that they seek to get a sure thing before venturing to prophesy, but we can say this much, that from a business and a practical accounting standpoint, per diem is founded upon a wholly reasonable and solid basis, and that from July 1, 1902, car owners allowing their cars to go to other roads, have for the first time in the history of railways the assurance that they will without peradventure receive a certain specified daily rental on each car, and that their property will be returned to them within a reasonable time. Comparing this satisfactory car situation, with the uncertainties and ruinous delays under the mileage plan, and realizing that the more than \$600,000,000 invested in freight car equipment, is practically owned or controlled by the ablest

Huron Ry. was opened for passenger traffic on May 16, 1853, a train being run from Toronto to Machell's corners, now Aurora, a distance of 30 miles. The train was drawn by an engine named the Toronto, which was built in Toronto by James Good at his works on Queen st., a short distance west of Yonge st. This was the first railway engine built in Canada, and was built with outside connections, the Lady Elgin being built with inside connections. Mr. Good built seven other engines for the Company, and then went out of that branch of the engineering business.

The Lady Elgin was never used in the regular passenger or freight service, although on an emergency, in the early days of the line, she hauled a few passenger trains. On the completion of the line the Lady Elgin was used as a shunting engine at Collingwood and did good service for a number of years. On the line being merged into the G.T.R., she was removed to Allandale where she lay in the yard for some time and was later on broken up, which fate not long after overtook the Toronto. The illustrations of the locomotives



THE LADY ELGIN, THE FIRST LOCOMOTIVE USED IN ONTARIO.

there is no doubt, however, that this rule—whether in force or in abeyance—will have a powerful influence in hastening the return of cars.

For the first few months it is likely that the per diem system may bear rather heavily on some of the small roads whose equipment is limited, as under the mileage plan they have grown into the habit of holding foreign cars a considerable time, and have not educated their shippers and consignees to properly estimate the daily value of cars, but in a very short time the experience under per diem will no doubt give all concerned a higher education in this respect, and the situation will be remedied from within, and should not require any assistance in the shape of concessions from the larger roads.

The master car builders have greatly aided in the introduction of per diem, by their action during the past few years in enlarging the scope of their interchange rules, allowing the more general use of defect cards, and arranging for more extensive repairs at expense of owners, in order to expedite the despatch of freight to destination: the improvement effected in these methods—while entailing

financiers of this—or any other—continent, I think we have at last a sure thing, and that without serious risk we may now prophesy that per diem has come to stay, and that there will never be a return to the time-worn and imperfect mileage method; to doubt this is to question the wisdom of the able men who conserve the interests and preside over the destinies of the great railway systems of Canada and the U.S.

#### The First Locomotives in Ontario.

The first locomotive used in Ontario was the Lady Elgin, built in 1852 at Portland, Me., taken by water to Toronto, put together there in Oct., 1852, and used in the construction of the Ontario, Simcoe and Huron Ry. This line commenced at the water front of Spadina avenue and ran to Barrie and Collingwood. It was afterwards merged in the Northern Ry. and later became part of the G.T.R. The old offices of the Company on the west side of Spadina avenue at Front st. west, are now used by the Railway Men's Y.M.C.A.

The first section of the Ontario, Simcoe &

are taken from photographs in the possession of Mr. John Harvie, Secretary of the Upper Canada Bible Society, Toronto, conductor of the first train on the line, and who was standing by the Lady Elgin at the time the original photograph was taken.

**Annual Financial Review.**—The second volume of this useful work, compiled by W. R. Houston, has recently been published in Montreal. This issue extends to 404 pages, and in addition to giving facts and figures showing the financial position of a large number of Canadian companies, or companies the shares of which are dealt in on the Canadian exchanges, publishes trade statistics and other information of use to the investor. Lists of members of the Montreal and Toronto stock exchanges are given, and a table showing the fluctuations of the different stocks, as well as a list of the principal brokers in other cities of the Dominion. The information is all conveniently arranged for reference, and has been carefully summarised and tabulated. The Annual Financial Review is a valuable book for investors.