Great Western of Canada.

The half-yearly general meeting of this company was held at the London tavern on the 27th October, Mr. Alderman Dakin, the chairman, presided.

Mr B. Baker, the secretary, having read minutes of the last general meeting, which were confirmed, the report, an abstract of which was recently published in *The Gazette*, was taken as read.

The Chairman in moving the adoption of the report, said he would first refer to the capital account of the company, in which a gratifying change had been effected, for, instead of a debt of £127,27 9on the last occasion, there was now a credit balance of £126,-284. This was caused by the successful issue of the 5 per cent preference stock authorized at the last meeting. The stock was taken up by the shareholders and the public, but chiefly by the shareholders. Owing to that success they would be enabled to provide for the whole settlement of the Government loan, which was a matter of great importance to the company. It had met the approval of all the members of the Board but one; in Canada it had been approved, and a large number of the shareholders had given their assent to the measure. The interest on the loan had been reduced to 3 per cent, instead of being 6 per cent., as formerly. They saved £28,659 of compound interest, and altogether they had by the settlement a remission of £265,459 in capital. He ventured to say that if they had delayed that settlement they would have had much greater difficulty at a later period in bringing about a similar arrangement. With regard to the settlement of the Government loan, they had raised sufficient capital for the purpose, £814 560 would redeem the £573,870 loan and £242 272 overdue interest. What they had raised to pay off the loan and arrears of interest would cost the company £8 053 a year less than would be required as they stood before the settlement, and if the compound interest was charged against the company the difference would be £13,364 a year in favour of the company after the year 1873. He had all the figures worked out by their accountant, and any shareholder could see them. The company now was in a better state than ever before, having the loan question so far entirely provided for. The expenditure on capital account during the half-year had been only £4,490, and when they considered that the average outlay on that account during the past nine half-years was £33,171 half-yearly, the amount would appear very small. The gross traffic receipts for the half-year ending July 31 amounted to £385,068, and for the corresponding half of 1868 to £356,649, showing an increase of £28.419 The proportion of local and through traffic carried was about one-third for the former and two-thirds for the latter. The proportions of the whole traffic for the half-year ending July 31, 1869, were 63·1 per cent. for through traffic and 36 9 per cent. for local traffic, against 65·11 per cent. and 34 89 per cent. respectively for the same half of 1868, showing an increase of two per cent. of local traffic The local passenger traffic as compared with the corresponding half of 1868 showed an increase. The rates for the through traffic depended on those charged by other companies. They had been 20 per cent. less in the past half-year than in the corresponding period. This was an important matter, and the per centage of working expenses varied to a certain extent with the through rates charged. The lower the rates the higher became the percentage of working expenses to receipts. If the rates in the past half year had been the same as those charged in the corresponding half of 1868 for through tariff, the net receipts of the company would have been £32,100 more than they were; and the working expenses instead of being 60 45 per cent. would have been 54 32 per cent. He was glad to say that by the last mail the rates had been increased on the 13th inst. If they were allowed only fair rates, the company would be prosperous; another matter that affected them was the large sums paid for compensation, amounting to between £8,000 and £9,000. This was owing to two heavy accidents. The cost of fuel had been reduced from 4d to 3 48d per mile. The wages had increased, owing to the construction of new lines in the United States. The directors had always requested that the line and rolling stock should be maintained in the most perfect condition. The total expenditure on the road during the past half year had been £58,603, against £51,028 in the corresponding half of 1868, showing an increase of £7,575 charged to revenue in the maintenance of the line. They had expended in renewals alone £332,120 in past years. The engineer had recommended the laying of Bessemer steel rails on certain portions of the line as fast as the iron rails on it are worn out. They had compelled one of the contractors for iron rails to pay to the company a penalty of £8,000 for sending out bad rails, but that did not compensate the company for the violation of the contract. He then adverted to the conference that was about being held in America to make the through route from east to west, of which their line formed a link, as effective as possible to compete with other lines for the through traffic. He thought, on the whole, that the progress of the company had been very satisfactory, and concluded by moving a formal resolution adopting the report and statement of accounts, declaring a dividend at the rate of 5 per cent per annum on the preference stock, and at the rate of 3 per cent per annum on the ordinary stock of the company, payable on the 9th of November.

Mr. Hoyes seconded the resolution.

Mr. F. S. Head, a director, entered into a long and elaborate statement with a view to show that the company was arriving at a crisis in its affairs. He contended that there was no necessity for paying off the Government loan; that the majority of the present directors had not managed the affairs of the company properly; that the deputation of directors to Canada had done nothing towards the settlement with the government in respect of the loan; that, in fact, it was Mr. Brydges who had concluded the arrangement with the Government for paying off the loan, and for which some of the directors had taken so much credit. He said that the company was not in the first instance called upon to do more than pay £35,000 a year from the 1st of January, 1868, as interest on the debt due to the Canadian Government. He contended that under the arrangement the directors had agreed to pay £16,000 more than the whole amount of the debt and arrears of interest, but not including the compound interest.

Mr. Hoyes, a director, said the Government of Canada had never abandoned their claim for compound interest prior to the late settlement of the whole question.

Mr. Head said he held a larger stake in the company than any other member of the Board, and he had frequently differed from his colleagues in the management of the company's affairs. He concluded by moving an amendment to the effect that the dividend at the rate of 3 per cent. per annum be declared, and that the meeting be adjourned to the 3d of November, at noon, to carry out any change in the management of the company the shareholders might deem desirable.

Mr. Freeman seconded the amendment.

Mr. Hoyes said he always considered that the loan, together with the arrears of interest, was a debt justly due to the Canadian Government, who had full powers at any time to enforce the payment of the loan with compound interest. They could, in fact, claim payment before the bondholders, on the whole amount which was legally due to them. He was glad that a fair settlement had been come to with the Government, and contended that it was a most admirable one for all parties.

The Chairman said, as to the settlement, they had just heard most unjust and injurious motives attributed to him by Mr. Head, who stood alone in the views and opinions he had expressed to the meeting. The debt to the Government had a long history, and he found so far back as 1853 that a meeting of the company was held at which a resolution moved by Mr. Hoyes and seconded by Mr. Head was passed, embodying a proposal for paying off the debt due to the Canadian Government. But they found afterwards that the company could not raise the money. He could afford to pass by the charges that had been made against him, as they were utterly beneath his notice. His only motive ever since he had joined the Board was to advance the interests of the company. With regard to paying the current interest of £35,000 a year recommended by Mr. Head, it would have been a most unfortunate course, as by doing so the company would have adopted the whole of the liability. He then read a letter from the Finance Minister to the effect of requiring from the company not only the payment of the current interest, but of the whole debt and arrears in full. They had saved £265,000 by the final arrangement, and a payment of £8,000 a year out of revenue, a measure that had been approved by every one except Mr. Head.

Mr. W. Evans said he had patiently heard both sides. He thought that the attack on the Board had not been sustained by anything he had heard, and on the other hand, it appeared to be the opinion of the shareholders that the Board had done its duty. He thought that they had better turn their attention to a settlement with the American lines extending from the seaboard to the interior. Unions were being formed among competing companies, and it was therefore a most important time to secure their interest in Canada. He advised them not to be too exacting in dealing with the American companies, as a union of interests was essential to their success.

Mr. Morgan thought the matter alluded to by Mr. Evans was very important.

Colonel Evelyn remarked that a succession of attacks had been made on the Board at a time when concessions were demanded of them in other quarters. It was clear the company would lose far more by pursuing an opposite course than the one intended.

The amendment was then put to the meeting, only seven hands were held up in favour of it, and the hands of the remainder against it.

The amendment was, therefore, negatived.

The original motion was then put and carried unanimously.

The election of 11 directors and two auditors was then proceeded with; a list of 12 names for directors was submitted to the ballot, and Mr. S Smith and Mr. Waite were appointed scrutineers,

The proceedings concluded with thanks to the chairman.

Several suits have been commenced lately by Wells, Fargo & Co, against prominent shipping houses, for the possession of various invoices of merchandize The cases involve a point of commercial law, concerning which, if there is any doubt whatever, the sooner merchants become aware of the fact the better. The Stockton agency of the company loaned monies to Webster & Co., taking the bills of lading and invoices for these goods as collaterals. Webster & Co. have since failed. The shippers of the goods now claim to exercise the right of stoppage *in transitu*. As against Webster & Co, or their ordinary creditors, there is no doubt that shippers have this right. It proceeds upon the assumption that a transfer of title to personal property is perfected by actual delivery. Before delivery is consummated therefore, the seller may reclaim his goods. But, in the meantime, the rights of third parties may intervene Invoices accompanied by complete sets of bills of lading, are understood among merchants to be evidence of title to the merchandize, and that the title passes by indorsement for all purposes of *bona fide* sale or hypothecation. If any other rule is to hold, the business of making advances upon goods afloat must cease entirely. In the minds of merchants there will be no doubt as to the decision of the question; but it will scarcely affect them pleasantly to know that the question has been—or could be—raised at all.—*Commercial Bulletin.*