Orders by the Railway Commissioners.

(Continued from page 449.)

Approving plans for the location of the Nicola, Kamloops and Simalkameen Coal and Ry. Co. from mileage 45, Nicola Lake, to Tuck-ul-nu-it Lake in the Okanagan Valley. (Sept. 5).

Granting the James Bay Ry. permission to cross the right of way of the G.T.R. in the township of Thorah, Ont., on condition that if the G.T.R. shall require to lay tracks on the right of way, the J.B. Ry. shall raise the grade and put in an ordinary diamond crossing. (Sept. 5).

Granting permission to the Montreal Park and Island Ry. to carry electric wires over the G.T.R. tracks at Cote St. Paul Rd., Montreal. (Sept. 6).

Sanctioning location plans of the Canadian Northern Ry. through townships 8 to 10, range 26, west, between mileage 23 to mileage 36.34, reckoned from Hartney, Man. (Sept. 12).

Authorizing the Brantford Electric and Operating Co. to carry two electric wires over the G.T.R. tracks in Brantford, Ont. (Sept. 12.)

Authorizing R. T. Walsh & Co. to carry four electric light wires over the G.T.R. at Ormstown, Que. (Sept. 12.)

C.P.R. ANNUAL REPORT.

Following is the 24th annual report, addressed to the shareholders, over the signature of the President, Sir Thos. G. Shaughnessy:

The accounts for the year ended June 30, 1905, show the following results:

Gross earnings			$50,481,882 25
Working expenses			35,006,793 79
Net earnings			$15,475,088 46
Interest on deposits and loans		$372,531 47	
Interest due from Duluth, South Shore & Atlantic Ry. Co. on consolidated bonds held by the Co.	$604,280 00		
Less advanced by the Co.	179,280 00		
		425,000 00	
Interest from Minneapolis, St. Paul & Sault Ste. Marie Ry. Co. on bonds held by the Co.		159,720 00	
Interest from Mineral Range Rd. Co. on bonds held by the Co.		50,160 00	
Interest from Montreal & Atlantic Ry. on bonds held by the Co.		47,250 00	
Dividends on Minneapolis, St. Paul & Sault Ste. Marie Ry. preferred and ordinary stocks held by the Co		530,002 00	
			1,584,663 47
			$17,059,751 93
Deduct fixed charges			7,954,065 76
Surplus			$ 9,105,686 17
Deduct amount applied against cost of steamships and for contribution to Pension Fund			230,000 00
From this there has been charged a half-yearly dividend on preference stock of 2% paid April 1, 1905		$ 757,066 66	
And a half-yearly dividend on ordinary stock of 3%, paid April 1, 1905		2,535,000 00	3,292,066 66
			$ 5,583,619 51
From this there has been declared a second half-yearly dividend on preference stock of 2%, payable Oct. 2, 1905		$ 757,066 66	
And a second half-yearly dividend on ordinary stock of 3%, payable Oct 2, 1905		3,042,000 00	

The working expenses for the year were 69.35% of the gross earnings, and the net earnings 30.65%, compared with 69.42 and 30.58% respectively in 1904. Four per cent. consolidated debenture stock to the amount of £1,406,575 was created and sold, and the proceeds were applied towards the construction of branch lines and the acquisition of mortgage bonds of the Calgary and Edmonton Ry., the Tillsonburg, Lake Erie and Pacific Ry., the Northern Colonization Ry., and the Guelph and Goderich Ry., the interest on which had been guaranteed by your company. Preference stock to the amount of £900,000 was also created and sold and the proceeds applied to purposes for which your authority had already been obtained.

During the year 509,386 acres of land were sold for $2,446,300, an average of $4.80 per acre, and from the proceeds of land sales a further amount of $3,500,000 was deposited with the Dominion Government, on account of the $15,000,000 land bonds mortgage, leaving a balance due on account of this mortgage of $8,000,000, against which are deferred payments, on account of land and townsites sold, of $14,659,179.63.

Your company's guarantee was endorsed on consolidated bonds of the Minneapolis, St. Paul and Sault Ste. Marie Ry. Co. to the amount of $3,620,000, representing the cost of 181 miles of additional railway constructed in extension of its system, which extension promises to add to the already prosperous business of that company.

Two additional steamships for the Atlantic service of 14,500 tons gross register and 18½ knots sea speed are being constructed under a contract authorized at the last annual meeting. It is expected that these will be ready for service on the opening of St. Lawrence navigation in 1906. Their cost with equipment will be approximately £800,000, and a resolution authorizing the issue and sale of the necessary securities to meet this expenditure will be submitted for your approval.

For the purpose of reaching the trade and participating in the development of Vancouver Island, your directors secured the necessary legislation and made the requisite agreements to enable you to acquire control of the Esquimault and Nanaimo Ry. extending from Victoria to Wellington, 78 miles. The Esquimault and Nanaimo Ry. Co. owns a land grant on Vancouver Island of approximately 1,600,000 acres. You will be asked to authorize a lease of the railway of the Esquimault Co. to your company for a term of years, at a rental equal to the interest at 4% per annum, payable on bonds from time to time issued by that company with the consent of your company, to an amount not exceeding $30,000 per mile of the railway, upon the condition that the Esquimault Co. shall apply the proceeds of all sales of land towards the redemption of said bonds at par until such time as the total amount of said bonds outstanding shall have been reduced from $30,000 per mile to $14,000 per mile of railway.

Your directors have entered into an agreement for an interchange of traffic at the International Boundary with the Spokane International Ry. Co. whose line will be connected with yours by a branch, 12 miles in length, now under construction from Yahk on your British Columbia Southern line. By this means your railway and its connections will secure access to Spokane, a most important commercial and industrial centre in the State of Washington.

The Nicola, Kamloops & Similkameen Ry. Co. is constructing a railway from Spence's Bridge on your main line in British Columbia to the coal fields in Nicola valley, a distance of 45 miles. It is intended that this line shall be gradually extended through the Similkameen valley, and, eventually, to a connection with your Columbia and Western section at Midway. There will be submitted for your approval a resolution authorizing a lease by your company of the section now under construction at a rental equal to the interest at 4% per annum on bonds of that company issued with the consent of your company to an amount not exceeding $30,000 per mile.

On all your traffic to and through St. John, N.B., you have been required to pay tolls to the St. John Bridge and Railway Extension Co., owners of the bridge between your terminus at Carleton and St. John. With the increase in business these tolls became burdensome, and your directors decided to ask your authority to build another bridge unless some more favorable agreement could be made with the proprietors of the present structure. An arrangement has been made that gives your company absolute control of the property at a cost of $200,000, and a resolution will be brought before the meeting authorizing capital expenditure to that amount. The property is subject to outstanding mortgage bonds to the amount of $125,000, bearing interest at 5% per annum and to a Government lien of $433,900 at 4% per annum. This transaction will, on the basis of last year's traffic, represent to your company an annual saving of over $30,000.

To serve a large district that is being rapidly settled it is necessary to build a branch line from the vicinity of Wolseley, on your main line, to Reston on the Souris branch, a distance of 122 miles. A resolution will be submitted approving the construction of this line and authorizing the issue and sale of the requisite 4% consolidated debenture stock for the purpose.

There will be laid on the table for your further information, and you will be asked to approve an agreement between your company and the British Columbia Electric Ry. Co. for the operation by electricity of your Vancouver and Lulu Island Ry. between Vancouver and Steveston, in order that a more frequent service may be provided than would be practicable on a line operated by steam. The agreement provides, amongst other things, that the B.C. Electric Ry. Co. shall equip the railway as an electric line and operate it continuously over its whole length, giving a good and sufficient service, until Feb. 11, 1924, unless the property of the Electric Company be taken over by the city of Vancouver, in 1919, in which event the contract will lapse.

The construction of the second track between Winnipeg and Fort William, mentioned at the last annual meeting, is proceeding, and it expected that the work will be completed in about three years, by which time everything indicates that it will be urgently required. In the meantime, as the result of your expenditures for the reduction of gradients and general improvements, enabling you to run heavier locomotives and cars, you can move over the single track between Winnipeg and Fort William a very much larger tonnage than would have been possible in previous conditions.

The construction of the main canal and of secondary canal A, for the irrigation of the company's lands between Calgary and Gleichen, is progressing satisfactorily, and it is expected that about 110,000 acres of irrigated land will be available early next year. Work will then be prosecuted on secondary canal B, for the purpose of bringing water on about 200,000 additional acres.

For some time past your directors have been engaged in the development of a coal mine on the company's lands near Banff. The development work is nearing completion and the mine promises not only to safeguard your fuel supply in that district but to be a source of considerable profit.

You will observe that the item "Cash subsidies from Dominion and Provincial Governments and Municipalities," and so much of the proceeds of land sales as were applied to the construction and equipment of the railway, have been transferred from the credit side of the balance sheet, where