

Montreal, & J. Price, Vice-President of the G.T.R.

An extraordinary general meeting was then held, at which, on the motion of the Chairman, additions were made to the articles of association to give power to the directors for the conversion of shares into stock.

#### ISSUE OF MORTGAGE DEBENTURE STOCK.

The Co. recently issued £750,000 5% consolidated 1st mortgage debenture stock, repayable at par on Dec. 31, 1930, but redeemable at 110 by the Co. at any time after Dec. 31, 1920, on giving 6 months' notice & in case of voluntary liquidation.

Following are extracts from the prospectus: The issue has been created to convert into one security all the existing securities of the Co., to provide cash to pay for the second portion of the railway, & for the capital purposes of the Co., & for the purpose of providing that the annual interest payable on the fixed charges shall be at the rate of 5%. The debenture stocks & debentures at present issued are as follows:—

First portion 6% debenture stock.....	£250,000
Second portion 6% debenture stock (part of an authorized issue of £300,000).....	119,830
Second mortgage 6% debentures.....	100,000
	£469,830

Under the trust deeds securing the 1st & 2nd portion debenture stocks the Co. has the right of redemption at 110 for each £100 issued. Notice of redemption has been given, & the existing securities not exchanged under this scheme will be paid off on June 30, 1901. The holders of any part of the existing debenture stocks & debentures may apply for, & will receive, a preferential allotment of £110 of the consolidated 1st mortgage debenture stock in exchange for every £100 of the existing securities held by them. Holders of £431,706 out of the £469,830 existing securities, including the holders of all the 2nd debentures above mentioned, have already agreed to take stock of this issue in exchange for their present holdings. An amount of £474,316 of new stock will be required to be issued in exchange for the old securities that are being converted, thus leaving £275,684 to which subscriptions are now invited.

The railway from Skagway to White Horse is 112¼ miles in length, & the consolidated 1st mortgage debenture stock will be secured as a 1st mortgage upon £752,073 bonds of the local companies owning the railway, & such bonds which will constitute specific 1st charges on the railway from Skagway to White Horse will be vested together with the whole of the capital stock & shares of the local companies in the Railway Share Trust & Agency Co., Ltd., as trustees for the holders of the consolidated 1st mortgage debenture stock.

This Co. was formed in 1898 to carry out & develop certain charter rights & concessions for (inter alia) the construction & equipment of a railway extending about 325 miles from Skagway Harbor, at the head of the Lynn Canal, an inlet of the Pacific Ocean, to Fort Selkirk, on the Yukon River. The charter rights & concessions under which the White Pass & Yukon Ry. has been constructed, are vested in three local companies. These companies & their issued capital stock & shares & their bonds, to be specifically charged upon the sections of the railway owned by them respectively, & deposited in the names of the trustees, are:

	Capital stock & shares issued.	Bonds.
The Pacific & Arctic Ry. & Navigation Co., incorporated under the laws of the State of West Virginia, U.S.A.	£200,185	£100,073
The British Columbia Yukon Ry. Co., incorporated by the Legislature of British Columbia	200,185	227,500
The British Yukon Ry. Co., incorporated by the Dominion Parliament	500,000	355,500
	£912,370	£752,073

The 1st portion of the railway, about 41 miles, from Skagway over the White Pass to Bennett, the head waters of Yukon navigation, was completed & opened for traffic on July 6, 1899; & the 2nd portion, about 71¼ miles, which extends from Bennett to White Horse on the Lewes River, below the White Horse Rapids, was completed & opened for traffic over its entire length early in Aug. this year. At White Horse direct connection is made with the steamers of the Canadian Development Co., with which Co. an advantageous through traffic agreement has been entered into, so that during the season of navigation passengers & freight from Victoria, Vancouver or Seattle can reach Dawson City in about a week, or from Skagway in about 3 days. With these facilities it is not at present considered necessary to extend the railway.

From the date of the opening of the 1st portion of the railway in July, 1899, up to Dec. 31, 1899, a period of about 6 months, the net earnings amounted to \$569,445, equivalent at the rate of \$4.85 per £ to £117,411. The whole length of 112¼ miles was opened for traffic last Aug., & the net earnings for the current year to date amount to over £200,000. The above earnings include no charge for construction material which was carried free. The annual interest on the consolidated debenture stock will be £37,500.

#### Farewells to C. M. Hays.

On Dec. 17 C. M. Hays, the retiring General Manager of the G.T.R., was entertained by the Montreal Board of Trade at a farewell dinner at the Windsor Hotel, over 200 prominent business men & others being present. President R. Mackay occupied the chair.

In responding to the toast of his health, Mr. Hays said that he appreciated more than he could tell the evidence of their good-will. The period of his residence in Canada had been one fraught with affairs of much moment to the G.T.R., they had occupied him so constantly, he had been away from home so much, & when he had been at headquarters they were so remote from the business centre of the city that he had not had the opportunity he could have wished for closer social relationship with the business men. Now, when he seemed to be approaching a time when more leisure afforded itself, & when removal from the old headquarters brought him into closer contact with them, he was to say good-bye. But, perhaps, after all, our best impressions, our clearest ideas of those with whom we associated, were formed, not in our social relations, but in our business intercourse, & in that respect, he considered himself most fortunate, so far as his relations with the Canadian public were concerned. He had made many friendships, which he hoped would continue for the rest of his life. As to Canadian business men, he had formed a regard for their sterling merit, for their reasonableness & law-abiding qualities that he should continue to remember long after leaving here. He should have none but the most pleasant recollections of his business intercourse with the people of Montreal, & it would be long before he should ever cease to feel the deepest interest in anything that affected the welfare of Canada, her commerce & her railways. He expressed the hope that the Dominion would continue to be prosperous, & said that if, in his new field of labor, he could in any way knit more closely the bonds of friendship which existed between Canada & the U.S., his utmost endeavor would be in that direction. He thanked them for their extreme kindness to him, & as Canadians were proverbially travellers, he hoped to see many of those present on the Pacific Coast, & he should take it as a personal grievance if when there they did not give him the opportunity to take them by the hand &

help him to renew his interest in the kind friends he had left behind in Canada. He concluded by wishing his Montreal friends long life & prosperity.

Hon. S. Fisher, Minister of Agriculture, in the course of his reply for the Dominion Parliament, said he was not prepared to say what would be done with regard to making Montreal a free port, but the harbor improvements commenced by the present Minister of Public Works would be vigorously prosecuted until Montreal was made the best Atlantic port on the continent of America. Transportation interests had largely occupied the time & attention of the last Parliament, as it must also of the next. We had to-day the great railways of the country connecting more than ever before the great inland seas with the port of Montreal, & the rates of transportation had been largely reduced on these railways by good management, such as Mr. Hays had applied to the G.T.R., & by the improvement in the track & in the rolling stock of these corporations. There was still, however, a great obstacle which must be removed before Montreal could stand on equal footing with other ports. The channel of the St. Lawrence must be improved. This was imperative. He had had an experience last summer in connection with the shipment of hay to South Africa which had opened his eyes to the present disabilities of the route. High rates of insurance so militated against the St. Lawrence route that the Government had found that it was very much cheaper to ship the hay to Cape Town from St. John or Halifax, so much cheaper in fact that the difference in the cost of shipment from, say St. John & Cape Town, & Montreal & Cape Town, would pay the freight charges out to the Cape. The farmers of the land were deeply interested in this transportation problem. The new Parliament would need to give its closest attention to their solution.

The Minister of Railways, Hon. A. G. Blair, in responding to the toast of the railway interests, paid a very warm tribute to Mr. Hays. He felt nothing but respect & admiration for Mr. Hays, whom he regarded as one of the great railway captains of the day. He remembered Mr. Hays' regime with especial pleasure, for it was during that period that the Intercolonial was extended into Montreal. He took a peculiar pleasure in recalling this fact because he believed that there was now no question of the wisdom of that step. It had now, he believed, passed from the controversial stage. It was an act, he was convinced, which would redound to the welfare of Canada. It was eminently a business arrangement. When he approached Mr. Hays to do business with him, he had found him a man ready & willing to listen to reason. The arrangement which the Government had entered into was one of mutual advantage to the G.T.R. as also to the I.C.R. Canada was to-day reaping the beneficent results of this policy. While for years the I.C.R. had been in a backward state, it was now running into a great city, & its business had immensely increased. Within a few years the great interests of the West would be dependent, not on one railway system, but on a dozen. Many other roads would be built in the near future. Some people said that the Government should stop the aid which it gave to Canadian railways. If this were done, he believed it would result in staying the progress of this great Dominion. The I.C.R. was not going to stop as a railway in the city of Montreal. Why not have it connected with Sault St. Marie on one hand & Cape Breton on the other. The I.C.R. was now entering on a period of growth greater than was ever dreamed of. We are told that we have the right, that it is our heritage to transport the products of the West, not our products alone from the West to the sea. Why should we therefore not enter upon the promotion of schemes which