

loss of £1,788 during the half-year. As regards the two-thirds receipts from the freight trains the matter is very much more serious. We lost altogether £105,000 in the half-year from that source. Half of that loss was due to the lower rates, which were reduced from seventy-five hundredths of a cent. to seventy-two hundredths during the half-year. The other half was due to deficiency in the traffic, in consequence of the depression which existed throughout the United States and Canada, after the bad harvest of the previous year. There was less traffic, therefore, running out of Chicago, and less exported from Canada, simply because there was so much less to export. Now, to give you an idea of the amount and the items in which the traffic decreased, I may mention that of a total decrease of traffic of 172,000 tons, 20,000 tons was from through traffic, and 152,000 tons was from local traffic. Of local traffic, we lost 12,000 tons from lumber; we lost 25,000 tons from what is called square timber; 138,000 tons from ice, because the winter having been colder in the United States, they did not want so much ice, and we lost 50,000 tons from grain and 55,000 tons from sundries. That is altogether 280,000 tons. But, on the other hand, we had an increase from coal, brick, lime, stone, cordwood, and some other articles which reduced that amount to a net decrease of 152,000 tons.

I have been in the habit of giving you, every half-year, the ton mileage, because that is the more correct way of describing the variations of the traffic; but I thought it would be more convenient to you on this occasion that I should exhibit to you in large figures the results of the whole system, and there they are. (The chairman indicated a diagram on his right hand, of which the following is a copy) :—