James Ross Esq
Victoria Ry

REPORT

FOR YEAR 1876,

SUBMITTED BY THE

CANADIAN BOARD OF DIRECTORS

OF THE

Northern Railway of Canada,

AT THE

GENERAL MEETING OF THE PROPRIETORS,

HELD AT THE COMPANY'S OFFICE, TORONTO,

WEDNESDAY, 9th MAY, 1877.

TORONTO, ONT.:
GLOBE PRINTING COMPANY, 26 & 28 KING STREET EAST.
1877.

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DIRECTORS.

WILLIAM THOMSON, Esq., *Vice-President, Royal Canadian Bank, Toronto*, President.

Sir HENRY MATHER JACKSON, Baronet, Q. C., M.P., 61 *Portland Place London, England*, Vice-President and Chairman, London Board.

GEORGE GREIG, Esq., *Toronto, Vice-President Isolated Risk Insurance Co.*

C. J. CAMPBELL, Esq., *Toronto.*

Hon. FRANK SMITH, Senator, *Toronto.*

JOHN L. BLAIKIE, Esq., *President Canada Landed Credit Co., Toronto.*

NOAH BARNHART, Esq., *Toronto.*

WILLIAM LETHBRIDGE, Esq., *Belgrave Mansions, London, England.*

CHARLES SAVILLE ROUNDELL, Esq., 63 *Cromwell Road, South Kensington, London, England.*

WILLIAM HENRY SMITH, Esq., M. P., *Greenlands, Henley-on-Thames, England.*

WM. NOBLE RUTLEDGE, *Ex-officio, Warden County of Simcoe.*

Mr. ALDERMAN JOHN BLEVINS, *Ex-officio for Corporation of Toronto.*

LONDON AGENCY.

Messrs. CUTBILL, SON & DE LUNGO, *No.* 103 *Cannon Street, London, E. C., England.*

BANKERS.

THE BANK OF MONTREAL, *Toronto.*

THE LONDON AND WESTMINSTER BANK, *London.*

OFFICERS.

FRED. W. CUMBERLAND, General Manager.

WALTER TOWNSEND, Secretary.

OWEN JONES, Chief Engineer.

PETER CLARKE, Jun., Mechanical Superintendent.

JOHN HARVIE, Train and Traffic Master.

BARLOW CUMBERLAND, General Freight and Passenger Agent.

GEO. D'ARCY BOULTON, Solicitor.

WM. GAMBLE, JAS. GRAHAM, } Auditors.

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Northern Railway of Canada.

ANNUAL GENERAL MEETING.

Toronto, 9th May, 1877.

The Annual General Meeting of the Proprietors of the Northern Railway of Canada, called by advertisement, was held this day at their offices, Brock Street, Toronto, at which the following gentlemen, among others, were present:—

W. Thomson, F. W. Cumberland, Walter B. Kingsford, C. J. Campbell, Wm. Elliot, Hon. J. B. Robinson, J. L. Blaikie, R. H. Smith, Lewis Moffatt, G. D'A. Boulton, A. Hugel, James Graham, Alderman Blevins, W. N. Rutledge, Warden of Simcoe, Lt.-Col. R. L. Denison, Thos. McConkey, J. S. McMurray, C. W. Moberly, F C. Capreol, D. Morrow, H. L. Hime, J. D. Ridout, W. S. Lee, John Fisken, D. C. Ridout.

The President, Mr. Wm. Thomson, took the chair at 12.15 p.m.

The President read the following notice calling the meeting, which had been duly advertised in accordance with law:—

NORTHERN RAILWAY OF CANADA.

ANNUAL GENERAL MEETING.

Notice is hereby given that the Annual General Meeting of the Proprietors of this Company will be held at the Company's Offices, Brock Street, Toronto, on

Wednesday, the 28th day of March, 1877,

At 12 o'clock noon,

To receive the Report for the year 1876, to elect Directors for the ensuing year, and for other purposes.

The Stock Transfer Books are and will remain closed until Thursday, the 29th March inst.

By order.

JAS. GRAHAM,
Acting Secretary.

N. R. C. Offices, Toronto,
12th March, 1877.

POSTPONEMENT.

The above meeting is postponed until Wednesday, the 25th April, at the same hour.

By order.

JAS. GRAHAM,
Acting Secretary.

The above Postponed Meeting is further Postponed until Wednesday, the 9th day of May, 1877, at the same hour.

By order.

JAS. GRAHAM,
Acting Secretary.

N. R. C. Offices, Toronto,
April 17.

The Report of the Canadian Directors for the year 1876 was then read by the General Manager, and was as follows :—

Northern Railway of Canada.

REPORT OF THE CANADIAN DIRECTORS

To the Proprietors of the Northern Railway of Canada :—

TORONTO, 9th May, 1877.

1. The Canadian Directors have more than usual satisfaction in presenting their Report for the year ending 31st December, 1876, as it will be found that (in accordance with the anticipations expressed in their last Annual Report) the operations of the Company during the past year have been progressive and satisfactory, illustrating substantial advances upon the results of 1875 notwithstanding the continuance of commercial depression, still existing in considerable severity.

The delay which has occurred in consulting the Proprietors in Annual Meeting has arisen partly by reason of the necessary absence in England of the General Manager, and partly because it was thought better to await the progress of legislation now successfully accomplished.

2. The gross Traffic Receipts of the year have amounted to $784,801.38 (£161,260 11s. 1d. sterling), as against $744,598.65 (£152,999 14s. 5d. sterling) in 1875, showing an increase in 1876 of $40,202.73 (£8,260 16s. 8d. sterling), or at the rate of 5.39 per cent. over 1875.

This increase was due to the bountiful harvest of 1875, beneficially affecting the receipts of the spring of 1876; to partial recovery in the Square Timber Trade; and to the development of

traffic arising out of the operation of the Extension Lines, and notably of that serving the Muskoka District. Thus, whilst the gross earnings of the Main Line advanced 2.76 per cent., the earnings of the Extensions (even during this period of depression) show an advance of 37.91 per cent. over the year 1875.

3. The ordinary "working expenses" of the year have been $458,552.22 (£94,223 1s. 1d. sterling), as against $473,963.76 (97,389 16s. 3d. sterling) in 1875, showing a reduction of $15,411.54 (£3,166 15s. 2d. sterling) in favor of 1876, or a decrease of normal expenditure at the rate of 3.25 per cent.

In relation to "gross earnings," the "working expenses" of 1876 have expressed a rate of 58.42 per cent. against 63.64 per cent. in 1875, being a reduction of 5.22 per cent. Whilst this is largely due to reduced prices for material and in the wages of labor, it is also due to vigilant economy of administration by the heads of Departments. Nor has this reduction been attained at the cost of efficiency, for the property in every detail has been upheld in first-class condition, and an examination of the accounts will show that the expenditure in "repairs" of works and buildings has been considerably in excess of similar outlay in previous years.

The Directors have adopted the policy of providing steel rails instead of iron in the ordinary repairs of the permanent way, and the provision made for the current year will, with the steel rails already laid, give a continuous steel track of 20 miles outwards from Toronto, covering the heaviest gradients and reaching the summit level of the line.

4. The net revenue of the year has amounted to $326,249.16 (£67,037 10s. 0d. sterling), as against $270,634.89 (£55,609 18s. 2d. sterling) in 1875, showing an increase of $55,614.27 (£11,427 11s. 10d.) in advance of 1875.

It is not within the knowledge of the Directors that any other financial interest in the Dominion has illustrated such advancing results during the recent period of depression—a depression so exceptional in its severity, and so universal in its pressure, as to have adversely, even though but temporarily, affected almost every other interest and undertaking in the country.

5. Of the application of this net revenue of $326,249.16 (£67,037 10s. 0d. stg.), see Account No. 2, the Directors have to report the payment at due dates of full interest dividends upon all issues of the Company's debentures; provision having also been made for the interest charges of the year upon the liabilities connected with the amalgamation of the Extension Lines and other advances on Capital Account, to the amount of $42,755.91 (£8,785 9s. 3d. stg.); whilst the sum of $46,944.92 (£9,646 4s. 4d. stg.) has been appropriated to new works, buildings and equipments, ordinarily provided from Capital Account, and a balance of $1,228.00 (£252 6s. 6d. stg.) has been carried forward to the credit of the next half year.

6. This expenditure on services ordinarily belonging to Capital Account has been made with the strictest regard to necessity, and in accordance with the past policy of the Directors in so providing for new industries, new traffic producing establishments, upon the line, as to afford every encouragement for their profitable development. Full details of these outlays will be found in Appendices L., M., N., O., P. and Q., and the Directors do not doubt that they will commend themselves to approval as in the true and permanent interests of the Company, for it is this policy, persistently pursued, which has raised the earning and carrying power of the undertaking from £53,744 stg. in 1858, to £161,260 stg. in 1876.

7. During the year now reported upon, the passenger traffic of the Line has been operated without injury to person or property, whilst the damages on account of freight have in 1876 amounted to the sum of $1,270.91 (£261 2s. 11d. stg.), including every loss, casualty and compensation connected with the service.

8. In their Report of last year, the Directors stated that the amalgamation of the Northern Extension Railway, comprising 72 miles of line, had been completed under authority of the Act 38 Vic. cap. 65, and by deed bearing date 3rd June, 1875. At that date, the line to Gravenhurst—the great objective point of the whole system—was still incomplete, and provision had to be made for the completion of the works on an estimate of $258,361.

These works were so far finished as to enable the opening of the line on the 15th November, 1875, with, however, a balance of works in fencing, ballasting and equipment, yet to be provided for.

The Directors have now to report that every work upon these lines has since been fully completed to a high standard of construction and within the estimate provided by the Deed of Amalgamation, and leaving an unexpended balance of $3,012.91, a result highly creditable to the Chief Engineer.

To this sum has to be added $4,633.46, being an unexpended balance of "contingencies" provided for by the estimate, showing a total unexpended balance of $7,646.37, now to credit under the terms of the Deed of Amalgamation.

The actual expenditure on the completed work having been thus finally reached, and the account closed, it is proper here to recur to the salient points of this amalgamation; and it will be found by reference to Account No. 3 that whilst these lines had been valued by two eminent and independent Engineers— Messrs. Walter Shanly and John Kennedy—as representing, on a cash basis, an estimated outlay of $27,341 (£5,618 stg.,) per mile, and whilst their actual cost had amounted to $24,486 (£5,031 per mile), they have been acquired by this Company at £4,105 stg. per mile, the difference being represented by Government subsidies and free Municipal grants thus enuring to this Corporation. Yet it may justly be said that the rate of amalgamation or purchase of these lines, beneficial as it has been, bears but moderate relation to the traffic value of their acquirement, which has been the secret of the augmented revenues of the past year, earned even on these new and undeveloped additions—at a reduction of the aggregate rate of working expenses previously common to the parent line.

The Directors submit that the results—initial only as they are—have already fully justified the responsibility they assumed in originally promoting the construction of these lines, and more recently in recommending their acquirement by amalgamation.

9. The Government of Canada, in pursuance of a general policy promotive of Railway construction in the country, and conditionally common to all Railways then under construction, contributed

in 1850-51 to the capital of this Company the sum of £475,000 stg., taking a lien upon the undertaking to that amount.

This lien has continued (subject in rank to two postponements in favour of necessary new capital) until the 28th of October, 1876, when, under the provisions of Acts of the Dominion 38 Vic. cap. 23, and 39 Vic. cap. 6 it was commuted and extinguished by a cash payment to the Government of £100,000 stg.

In relation to the value of this lien and to the claims of the Government thereunder, two enquiries have been instituted during the past year, the first by Royal Commission, and more recently by a Committee of the House of Commons, the result of which has been a further claim of $27,458.88 (£5,642 stg.), as payable to the Government, making a total payment of £105,642 in full and final discharge of every liability of the Company under the original advance by the Government of Canada to its capital account. Engaged at the time in legislation beneficial to the Company, (hereafter to be adverted to,) the Directors, although they had regarded the provisions of the Lien Act of 1875 as final, preferred to compromise all questions of interest and other items of contention rather than prejudice or endanger the passage of a Bill greatly to the interest of the Company.

The Directors accordingly recommend that provision be made for the payment before the 1st May, 1878, of the additional sum of $27,458.88 (£5,642 4s. 8d. sterling), upon which payment so to be made the Company will relieve itself of all the fetters and complications by which its energies and operations have been so much embarrassed over a long series of years.

It may be proper to add, that on this lien being thus finally disposed of the following payments will have been made by the Company to the Government, viz.:—

On account of principal, in cash, under Act 1875	£100,000 stg.
On further account thereof, under Act 1877	5,642 "
On account of interest, second Preference Bond, £50,000, @ 90	45,000 "
Interest thereon, 1861 to 1876	50,021 "
Third Preference Bond, £50,000, under Act 1877	45,000 "
Interest thereon upon extinguishment	2,250 "
Total repayment on cash basis	£247,913 " / $1,206,510

Having regard to what has been done by other Canadian Railway Companies in repayment of like advances made by the Government towards original construction, the Directors feel warranted in congratulating the Proprietors upon the ability of this undertaking to make so substantial and exceptional a return to the Dominion Exchequer on account of the lien; for whilst not desiring to say that the terms of the extinguishment of the lien are in the aggregate oppressive, yet the ability of the Company to meet a claim so extensive is gratifying evidence of the great development in value of the property, and of the administrative policy which has produced it.

10. Consequent upon the amalgamation of the Extension Railways, representing 72 miles of additional line, and of the liabilities in connection with their Capital Accounts thus and then assumed, and in order further to provide for the extinguishment of the Government lien, as determined by another enactment, it became necessary to provide for extended capital powers, which were accordingly obtained under the Company's Act of 1875.

Upon further consideration and more mature consultation with their London colleagues, the Canadian Directors came to the opinion that the provisions of that Act might be beneficially amended, and they therefore sought and have succeeded in obtaining further and amended powers by an Act passed in the session of the Parliament of the Dominion just closed, which received the Royal Assent on the 28th ult.

The main features of this enactment may be described as follows :

It provides for such an issue of securities bearing 5 per cent. interest in the front rank of the undertaking as will meet—

1st. The existing "First Preference Bonds," to the amount of £250,000, which mature on the 1st August, 1879.

2nd. As will provide for consolidating or commuting the existing Debentures of the Northern Extension Railways Company (now amalgamated), and amounting to £177,400 stg.

3rd. For such an amount of new capital as is necessary to provide—(*a*) for the amount expended in extinguishment of the lien of the Dominion; (*b*) for the amounts assumed under deed of amalgamation of the Extension Lines, and expended in completion of the Gravenhurst division ; (*c*) for commuting and extinguishing third Preference Bonds held by the Government of the Dominion to the amount of £50,000 sterling; (*d*) for certain past advances from Revenue to Capital Account, for additional Locomotive and Rolling Stock, works and equipments to meet the then increasing traffic demands of the line.

To compass this consolidation in every way advantageous to the Company, an issue is authorized of £850,000 of 5 per cent. First Preference Debentures (or Debenture Stock), and the Directors recommend that authority be given to make this issue in the terms of the Company's Act of 1877 as to them may seem best in the interests of the Company, observing that the ultimate operation of the Act in its entirety will be to reduce the interest charges preferential to the ordinary Stock in the amount (as in relation to the Act of 1875) of £10,440 per annum.

Further authority is given for a reserve capital in Preference Stock to the amount of £150,000 stg., for the ordinary purposes of the Company, to be issued from time to time with the sanction of the Shareholders.

The Act further provides for the separate election from amongst themselves of a Director specially representative of the private holders of Ordinary Stock, and in addition to the existing stock representation of the Municipal holdings.

The adoption of the Act is nevertheless subject to the concurrence of the holders of the Debenture debt of the Company.

The Directors commend the adoption of the Act alike to the holders of Debentures and of Ordinary Stock, believing that its purpose and operation will be most clearly beneficial to both.

11. Negotiations have passed during the past year, emanating from "The North Simcoe Railway Co.," now constructing a line from Barrie to Penetanguishene, having for their object the establishing of working arrangements between the two Companies; and a preliminary and conditional agreement has been come to, subject to concurrence and adoption by this Company on or before the 1st August ensuing. It will be for the incoming Board for the ensuing year to deal with this measure.

12. Consequent upon the vacancy created by the death of the late Secretary and Treasurer, Mr. Walter Townsend has been appointed to that office, and will enter upon his duties at an early date. Selected and nominated by the London Board, as possessing very extended experience and the confidence of the English proprietary, the Directors anticipate much advantage from his accession to the staff.

13. On a general revision of the year 1876, and of the results now reported, the Directors find much reason for congratulation.

With augumented earnings on the year preceding in the ratio of 5.39 per cent., with working expenses diminished 3.25 per cent., and the general revenue advanced in the important sum of £11,427 11s. 10d. stg., the proprietors will recognize results illustrating the substantial character of the undertakeing in the ability with which an inactive commercial period has been tided over; and although the nature of its traffic in certain great staples (as the products of the farm and of the forest) makes its earnings much dependent upon the condition of fluctuating markets, the unbroken sequence of substantial advances in income over a long series of years, and the recent exceptional strength with which, under adverse circumstances, its revenues have been maintained and increased, would seem to denote that this railway has attained a position of stable and permanent strength.

The Company having been relieved of the lien of the Dominion, now for the first time takes rank as a private and independent Corporation; and with the freedom of action thus achieved, and the close and vigorous administration which a more direct local interest will tend to promote, the Directors look forward, on a revival of commercial activity, to still more substantial prosperity and credit.

14. Hereto are appended the Reports of Auditors, with full details of Departmental accounts, and the usual statistical returns.

All respectfully submitted.

By order,

WM. THOMSON,
President.

FRED. CUMBERLAND,
General Manager.

Moved by the President, seconded by Mr. Wm. Elliot,

"That the Report be adopted, and that the same, with the usual "detailed accounts and statistical statements, be printed for distribu- "tion amongst the proprietors." Carried unanimously.

Moved by Mr. John Fisken, seconded by Mr. Jos. D. Ridout,

"That Messrs. Wm. Gamble and James Graham be and are hereby "appointed Auditors of the Company for the current year." Carried unanimously.

Moved by Col. R. L. Denison, seconded by Mr. Thos. McConkey, and resolved,

"That the Shareholders of the Northern Railway of Canada can- "not allow this their first meeting since the lamented death of their "late Secretary, Thomas Hamilton, Esquire, to pass over without "placing upon the records of the Company their sincere regret at the "sudden demise of so valued a servant, and order that a copy of this "resolution be sent to his bereaved family." Carried unanimously.

Moved by Mr. C. J. Campbell, seconded by Mr. D. Morrow,

"That the cordial thanks of this meeting be presented to Mr. "Kingsford for his presence to-day, and for the highly acceptable ob- "servations he has made on the affairs of this Company, and the "meeting desires to record its sense of the valuable services rendered "to the Company by him in connection with the Act obtained at the "recent session of the Dominion Parliament." Carried unanimously.

Moved by Mr. J. S. McMurray, seconded by Mr. H. L. Hime,

"That the election of Directors for the ensuing year be now held; "that for the purposes of such election Messrs. F. C. Capreol and "Walter S. Lee be appointed Scrutineers; that the poll be now "opened forthwith, and be closed so soon as five minutes shall have "elapsed after the entry of the then last recorded vote, and that this "meeting do now adjourn until 3 p.m. to receive the said report." Carried unanimously.

And the meeting thereupon adjourned.

The meeting having reassembled at 3:30 p.m., the Scrutineers presented the following Report:

TORONTO, 9th May, 1877.

We, the undersigned Scrutineers, duly appointed at the Annual Meeting of the Shareholders and Bondholders of this Company held this day for the election of Directors, declare that the following Directors were duly elected:

William Thomson, Esq., Toronto; Sir Henry Mather Jackson, Bart., Q.C., M.P., London; Hon. Senator Frank Smith, Toronto; William Lethbridge, Esq., London; Major George Greig, Toronto; Chas. Saville Roundell, Esq., London; Wm. H. Smith, Esq., M.P., London; Noah Barnhart, Esq., Toronto; John L. Blaikie, Esq., Toronto; C. J. Campbell, Esq., (for the Shareholders,) Toronto.

(Signed) F. C. CAPREOL, W. S. LEE, } *Scrutineers.*

Moved by the Warden of Simcoe, seconded by Mr. Alderman Blevins,

"That the cordial thanks of the Company are due and are hereby "tendered to the President, Directors and Officers for their valuable "and successful services during the past year." Carried unanimously.

The meeting then adjourned.

JAS. GRAHAM,
Acting Secretary.

WM. THOMSON,
President.

At a meeting of the Directors, held at Toronto on Tuesday, the 15th May, 1877, Mr. Wm. Thomson was elected President, and Sir Henry Mather Jackson, Bart., Q.C., M.P., Vice-President of the Company and Chairman of the London Board for the ensuing year.

NORTHERN RAILWAY OF CANADA.

SECRETARY'S OFFICE,

TORONTO, 3rd May, 1877.

F. W. CUMBERLAND, ESQ., *General Manager, Northern Railway of Canada, Toronto.*

SIR,—We beg to report that we have finished the audit of the books and accounts of the Company to 31st December, 1876, basing the audit on the vouchers duly certified by authorized heads of Departments.

The enclosed Accounts, Nos. 1 and 2, of Receipts and Expenditure and Revenue Account, together with the Balance Sheet, are certified by us as correctly extracted from the Ledger.

We have the honor to be, Sir,

Your obedient servants,

WM. GAMBLE, } *Auditors*
JAS. GRAHAM, } *N. R. of C.*

NORTHERN RAILWAY OF CANADA.

TORONTO, 26th January, 1877.

F. W. CUMBERLAND, ESQ., *General Manager, Northern Railway of Canada, Toronto.*

SIR,— I beg to report that I have inspected and audited the accounts of the Way Stations throughout the line monthly, during the half year ending 31st December, 1876, and am in a position to state that they were correct on that date.

I am, Sir,

Your obedient servant,

JAMES H. TELFER,
Audit Clerk.

NORTHERN RAILWAY OF CANADA.

SECRETARY'S OFFICE,

TORONTO, 3rd May, 1877.

F. W. CUMBERLAND, ESQ., *General Manager, Northern Railway of Canada, Toronto:*

SIR,—The audit and examination of accounts and books of the Freight Department, Elevator and flour sheds, and Collingwood Station, have been kept up monthly during the half year ending 31st December, 1876, and I have pleasure in reporting the same as satisfactory.

I am, Sir,

Your obedient servant,

WM. GAMBLE.
Auditor.

Year 18
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Year 1875.	ENDITUR
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227741 25	.....a
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	Revenue
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NORTHERN RAILWAY OF CANADA.

(ACCOUNT No. 1.)

Statement of Receipts and Expenditure on Revenue Account for the Year ending 31st December, 1876.

Year 1875.	RECEIPTS.	1st Half 1876.	2nd Half 1876.	Total 1876. Currency.	Total 1876. Sterling.
$ c.		$ c.	$ c.	$ c.	£ s. d
	To Local Traffic:				
227741 25	Passengers	107427 38	131457 80	238885 18	49085 19 11
455770 07	Freight	248274 27	229427 39	477701 66	98157 17 6
13153 69	Mail Service	6912 76	6954 06	13866 82	2849 6 11
5999 18	Express Service	2519 40	3525 05	6044 45	1242 0 2
1871 84	Wharfage	507 19	1545	2052 74	421 15 11
22417 15	Storage	15581 42	13199 76	28781 18	5913 18 10
1004 40	Rents	454 46	476 96	931 42	191 7 9
4207 56	Other Sources	408 00	1130 18	1538 18	316 1 3
	To Through Traffic				
12433 51	Freight	6595 02	8404 73	14999 75	3082 2 10
$744.598 65	Total	$388.679 90	$396,121 48	$784.801 38	£161.260 11 1

Year 1875.	EXPENDITURE.	1st Half 1876.	2nd Half 1876.	Total 1876. Currency.	Total 1876. Sterling.
$ c.		$ c.	$ c.	$ c.	£ s. d.
128724 88	By Maintaining Roadway.....as per Appendix A.....	62290 88	43813 00	106103 88	21802 3 4
13126 18	" Maintaining Works and Buildings " B.....	6032 43	14706 12	20738 55	4261 6 11
57578 55	" Maintaining Machinery and Rolling Stock as per C.....	26646 83	21948 45	48595 28	9985 6 7
74302 36	" Train Service, Mech. Dept.... as per Appendix D.....	37656 64	36115 86	73772 50	15158 14 8
28949 76	" " " Traffic " .... " " E....	14771 00	15663 16	30434 16	6253 11 11
27053 02	" Way Station Service..... .... " " F.....	13793 14	15205 16	28998 30	5958 11 1
38527 40	" Terminal Station Service..... " " G.....	17713 11	19729 18	37442 29	7693 12 5
19415 83	" General Supplies..... " " H.. ...	9937 94	10096 56	20034 50	4116 13 7
52817 81	" Miscellaneous Expenses..... " " I.....	25658 07	30792 47	56450 54	11599 8 6
33467 97	" General Charges..... " " K.....	17849 78	18132 44	35982 22	7393 12 1
473,963 76	Total Working Expenses.....	232,349 82	226202 40	458552 22	94223 1 1
270,634 89	Balance carried to Net Revenue Account, No. 2	156,330 08	169919 08	326249 16	67037 10 0
$744.598 65		$388,679 90	396121 48	784801 38	161260 11 1

Examined and found to be correctly extracted from Ledger accounts.

WM. GAMBLE.
JAS. GRAHAM, } *Auditors.*

200.000

NORTHERN RAILWAY OF CANADA.

ANNUAL REPORT 1870.

NORTHERN RAILWAY OF CANADA.

ANNUAL REPORT, 1876.

[ACCOUNT No. 2.]

Net Revenue Account for year ending 31st December, 1876.

TO DEBENTURE ACCOUNT.	CURRENCY. $ c.	STERLING. £ s. d.		CURRENCY. $ c.	STERLING. £ s. d.
To Interest on 1st Preferential Bonds.....	73,000 00	15,000 0 0	By Balance from 1875.....	1,100 30	226 1 9
" " " 2nd " "	82,898 80	17,034 0 0	" Net Revenue per account No 1.	326,249 16	67,037 9 11
" " " 3rd " "	27,623 20	5,676 0 0			
" " " Northern Extension Guaranteed Debentures	51,859 20	10,656 0 0			
" Interest London Account.....	8,175 99	1,680 0 0			
" " on open Liabilities assumed under deed of amalgamation.....	33,409 54	6,864 19 6			
" Interest on commutation of Extension stock under deed of amalgamation.....	1,170 38	240 9 9			
" Profit and Loss.....	1,039 43	213 11 7			
" New Works and Buildings, Sidings, Rolling Stock, &c., appropriations to	46,944 92	9,646 4 4			
" Balance	1,228 00	252 6 6			
	327,349 46	67,263 11 8		327,349 46	67,263 11 8
			By Balance.....	1,228 00	252 6 6

Examined and found to be correctly extracted from Ledger Accounts. WM. GAMBLE, JAMES GRAHAM, } *Auditors, N. R. C.*

NORTHERN RAILWAY OF CANADA.

NORTHERN RAILWAY OF CANADA.

[ACCOUNT No. 3.]

Dr. Northern Extension Railway Capital Account, 31st December, 1876. Cr.

	STERLING.	CURRENCY.		CURRENCY.	STERLING.
	£ s. d.	$ c.		$ c.	£ s. d.
To Amount of Capital Account of Northern Extension Railway Company, assumed on amalgamation, per agreement dated 3rd June, 1875	295,559 8 2	1,438,389 14	By DEBENTURE DEBT	883,027 12	181,443 18 6
Being at the rate of $19,977 62 (£4,105 stg.) per mile, on 72 miles of line amalgamated.			" OPEN LIABILITIES..... $329,660 86 Less Contingent Fund... 4,633 46	325,027 40	66,786 9 0
			" CONTRACT WORKS:		
			On construction of Gravenhurst Division. Actual Expenditure to date.....$255,348 09 Less Gov't subsidy..... 53,844 00	201,504 09	41,404 19 0
			" EXTENSION STOCK ACCOUNT.....	21,184 16	4,352 18 3
			" Balance to credit of Deed of Amalgamation.....	7,646 37	1,571 3 5
	295,559 8 2	1,438,389 14		1,438,389 14	295,559 8 2

Capital A
Works o
Cash on
Bank of
London a
ster
Fuel on
London
Northern
Railwa
New Wo
ing St
Board o
Lond
Steel Ra
Station M
Stores on
Bills Rec
All other

WM. C
JAS. G

NORTHERN RAILWAY OF CANADA.

ANNUAL REPORT.

ACCOUNT No. 4.

Balance Sheet for 31st December, 1876.

Capital Account, (old).	$2,811,879 45	First Pref. Bonds.....	$1,216,666 66
Works of Restoration..	870,289 42	Second "	1,381,646 68
Cash on hand.....	1,853 82	Third " A	243,333 33
Bank of Montreal	10,141 84	" " B	217,053 35
London and Westminster Bank.....	60,497 68	Interest, Arrears, Debentures.....	384,568 96
Fuel on hand.....	17,749 77	Debentures not entitled to priority.....	48,189 21
London Agents.....	115,281 15	Revenue Account	1,228 00
Northern Extension Railways.....	88,174 39	Interest on 1st Pref. " Bonds.....	73,184 09
New Works and Rolling Stock.....	507,229 95	" 2nd "	62,536 73
Board of Directors, London.....	2,920 00	" 3rd " A.....	18,717 20
Steel Rail account. ..	16,249 80	" " " B.....	11,665 29
Station Masters	17,110 91	" Extension Bonds.	51,859 20
Stores on hand.....	39,527 04	Bills Payable.....	740,344 34
Bills Receivable.....	421 08	Outstanding Wages	787 16
All other Accounts.....	128,455 95	All other Accounts	235,020 05
	$4,687,800 25		4,687,800 25

WM. GAMBLE, JAS. GRAHAM, } *Auditors.*

JNO. E. FOREMAN, *Accountant.*

Year 1875.
$ c
57,284 3
38,023 2
15,200 4
3,220 5
8,069 1
542 4
2,900 0
304 4
3,180 2
128,724 8
17.29

Year 1875.
$ c
1,351 5
3,418 2
4,018 7
192 7
604 7
1,223 1
629 6
1,687 4
13,126 1
1.76

APPENDIX A.

Maintaining Roadway.

Year 1875.	DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total 1876.
$ c.		$ c.	$ c.	$ c.
57,284 35	Track labor, including Road Masters' Salaries	25,979 88	25,807 49	51,787 37
38,023 29	Track Iron (Rails new and rerolled)	13,904 31	10,381 15	24,285 46
15,200 40	Track Chairs, Spikes and other Track Supplies	11,618 83	1,605 35	13,224 18
3,220 53	Tools, Lorries, &c	1,267 32	1,199 13	2,466 45
8,069 12	Ties	7,640 84	158 66	77,99 50
542 47	Ballasting		1,688 43	1,688 43
2,900 04	Fences, Gates, Cattle Guards and Sign Boards	1,716 52	2,699 66	4,416 18
304 40	Approach Roads	161 04	228 13	389 17
3,180 28	Track and Train Labor	2 14	45 00	47 14
128,724 88		62,290 88	43,813 00	106,103 88

17.29 Per Centage on Gross Receipts.....13.52

APPENDIX B.

Maintaining Works and Buildings.

Year 1875.	DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total 1876.
$ c.		$ c.	$ c.	$ c.
1,351 57	Repairs of Bridges and Culverts	1,094 42	4,596 85	5,691 27
3,418 29	" Buildings	1,455 65	5,168 81	6,624 46
4,018 71	" Wharves	894 64	707 04	1,601 68
192 71	" Turntables and Track Scales	48 12	182 00	230 12
604 71	" Tank houses, Pipes, and Appurtenances	917 71	1,508 72	2,426 43
1,223 19	" Cribs and Booms	245 16	306 28	551 44
629 60	" Semaphores and Switch signals	226 92	460 42	687 34
1,687 40	" Elevator Buildings	1,149 81	1,776 00	2,925 81
13,126 18		6,032 43	14,706 12	20,738 55

1.76 Per Centage on Gross Receipts.....2.64

APPENDIX C.

Maintaining Machinery and Rolling Stock.

Year 1875.	DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total 1876.
$ c.		$ c.	$ c	$ c.
18,760 42	Repairs Locomotive Engines and Tenders.....	7,865 20	6,820 27	14,685 47
864 69	" Stationary Engines..	334 30	247 35	581 65
3,227 50	" Tools, and Shop Machinery.....	1,661 07	1,389 72	3,050 79
1,479 74	" Elevator Machinery	1,024 42	976 16	2,000 58
12,185 47	" Passenger and Baggage Cars....	6,231 27	4,766 83	10,998 10
18,510 11	" Freight Cars.....	9,301 52	7,188 41	16,489 93
1,330 95	" Dump Lorries and all other Cars...	155 05	382 94	537 99
219 67	" Machinery of Pumping Stations.....	74 00	176 77	250 77
57,578 55		26,646 83	21,948 45	48,595 28

7.74 Per Centage on Gross Receipts..... ....6.19

APPENDIX D.

Train Service.—Mechanical Department.

Year 1875.	DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total 1876.
$ c.		$ c	$ c.	$ c.
28,707 93	Enginemen, Firemen and Cleaners...	13,760 41	13,715 11	27,475 52
452 78	Locomotive running supplies, Tools, &c.....	281 98	181 33	463 31
41,937 20	Locomotive Fuel.....	22,108 80	20,779 04	42,887 84
2,200 42	" Oil and Waste	1,062 35	1,101 31	2,163 66
1,004 03	Cars Oil and Waste.....	443 10	339 07	782 17
74,302 36		37,656 64	36,115 86	73,772 50

9.97 Per Centage on Gross Receipts..... ..... 9.40

APPENDIX E.

Train Service Traffic Department.

Year 1875.	DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total, 1876.
$ c.		$ c.	$ c.	$ c.
10,938 79	Passenger Conductors, Baggage and Brakemen	4,262 49	5,296 82	9,559 31
13,814 39	Freight Conductors and Brakemen	8,482 86	7,977 65	16,460 51
3 50	Train Labor, Loading and Unloading.....		266 45	266 45
2,909 38	Train Running Supplies.....	1,219 25	1,561 05	2,780 30
1,283 70	" Fuel.....	806 40	561 19	1,367 59
28,949 76		14,771 00	15,663 16	30,434 16

3.88 Per Centage on Gross Receipts..... ....3.88

APPENDIX F.

Way Station Service.

Year 1875.	DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total, 1876.
$ c.		$ c.	$ c.	$ c.
11,670 28	Station Masters.....	6,106 38	6,493 01	12,599 39
8,357 57	" Switchmen, Watchmen & Freight hands	4,086 11	4,318 46	8,404 57
2,407 33	" Pumpers & Woodmen	1,307 45	1,372 08	2,679 53
1,794 40	" Telegraph Service....	901 00	1,046 51	1,947 51
2,607 44	" Supplies & Cleaning..	1,332 20	1,825 10	3,157 30
216 00	Bridge Labor & Watchmen	60 00	150 00	210 00
27,053 02		13,793 14	15,205 16	28,998 30

3.63 Per Centage on Gross Receipts 3.69

APPENDIX G.

Terminal Station Service.

Year 1875.	DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total, 1876.
$ c.		$ c.	$ c.	$ c.
13,331 02	Traffic and Yard Service, Toronto	6,081 67	6,746 64	12,828 31
10,969 82	Local Freight Department	5,239 35	5,714 19	10,953 54
6,495 63	Shipping Department	2,996 60	3,352 56	6,349 16
7,730 93	Terminal Station Service, Collingwood	3,395 49	3,915 79	7,311 28
38,527 40		17,713 11	19,729 18	37,442 29

5.17 Per Centage on Gross Receipts 4.77

APPENDIX H.

General Supplies.

Year 1875.	DETAIL OF SERVICE.	1st half 1876.	2nd half 1876.	Total, 1876.
$ c.		$ c.	$ c.	$ c.
1,159 20	Fuel Shop Service	805 00	534 59	1,339 59
2,090 90	" Station Service	1,632 40	1,041 39	2,673 79
2,202 30	" Stationary Engines	1,117 20	1,114 14	2,231 34
9,800 49	Stationery, Printing and Advertising	4,282 43	5,302 17	9,584 60
2,069 10	Supplies, Head Office, including Gas, Water and Fuel	1,040 54	880 10	1,920 64
2,093 84	Storekeepers' Salaries and Supplies	1,060 37	1,224 17	2,284 54
19,415 83		9,937 94	10,096 56	20,034 50

2.61 Per Centage on Gross Receipts 2.55

APPENDIX I.

Miscellaneous Expenses.

Year 1875.	DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total, 1876.
$ c		$ c.	$ c.	$ c.
13,170 16	Real Estate, Taxes on..... ..	4,753 04	10,006 61	14,759 65
4,116 82	Legal Expenses.....	3,220 99	2,928 23	6,149 22
321 62	Damages on Traffic Account.	133 68	182 72	316 40
560 44	" on Accidents and Casualties.....	578 16	376 35	954 51
6,916 52	Insurance, Buildings and Freight.....	3,100 00	4,823 40	7,923 40
2,010 10	Insurance, Accident and Guarantee.....	1,128 01	116 00	1,244 01
19,885 94	Interest and Discount.....	10,697 82	9,929 95	20,627 77
1,510 17	Postage and Telegraphs.....	709 00	680 97	1,389 97
4,325 97	Contingencies.....	1,337 37	1,748 24	3,085 61
52,817 81		25,658 07	30,792 47	56,450 54

7.09 Per Centage on Gross Receipts 7.19

APPENDIX K.

General Charges.

Year 1875.	DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total, 1876.
$ c.		$ c.	$ c.	$ c.
10,625 50	Toronto Direction and Management.....	5,362 18	5,705 07	11,067 25
2,517 19	London Direction and Agency	1,570 04	1,771 10	3,341 14
8,181 14	Secretary & Accountant and Head Office Salaries	3,700 73	3,957 28	7,658 01
3,851 12	Mech. Supt. Office Salaries and Supplies.....	1,833 23	1,847 56	3,680 79
3,744 41	Chief Engineer's Office Salaries and Supplies.....	1,963 41	1,809 65	3,773 06
1,110 00	Audit Expenses.....	550 00	549 96	1,099 96
3,226 74	Travelling Expenses.....	2,490 09	2,343 22	4,833 31
211 87	Exchange on London	380 10	148 60	528 70
33,467 97		17,849 78	18,132 44	35,982 22

4.50 Per Centage on Gross Receipts 4.59

APPENDIX L.

Extension Service in New Works and Buildings, New Rolling Stock and Equipment.

DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total, 1876.
	$ c.	$ c.	$ c.
New Works and Buildings, as per Appendix M	3,544 89	10,538 88	14,083 77
New Machinery and Rolling Stock, as per Appendix N	2,063 15	3,596 35	5,659 50
New General Outfit, as per Appendix O	985 90	2,720 81	3,706 71
Government and other exceptional charges, as per Appendix P	15,379 70	12,000 93	27,380 63
	21,973 64	28,856 97	50,830 61
Brought forward from year 1875			52,976 45
			103,807 06
Carried forward to year 1877			56,862 14
Total appropriation in 1876			46,944 92

APPENDIX M.

New Works and Buildings.

DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total. 1876.
	$ c.	$ c.	$ c.
New Buildings	237 76	718 90	956 66
" Tank-houses, Pipes and Appurtenances		1,848 75	1,848 75
" Clearing & Grading Station Yards and Right of Way		214 12	214 12
" Crossings, Cattle Guards, and Sign Boards		288 10	288 10
" Fences and Gates, Main Line	1,272 33	2,946 00	4,218 33
" " " Way Stations	34 80	216 92	251 72
" Extension of Track and Siding	2,000 00	4,306 09	6,306 09
	3,544 89	10,538 88	14,083 77

APPENDIX N.

New Machinery and Rolling Stock.

DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total 1876.
	$ c.	$ c.	$ c.
New Locomotive Engines and Tenders....	1,115 30	1,151 60	2,266 90
" Tools, Fixed and Shop Machinery.	2 10	30 00	32 10
" Passenger and Baggage Cars.....	945 75	2,414 75	3,360 50
	2,063 15	3,596 35	5,659 50

APPENDIX O.

New General Outfit.

DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total 1876.
	$ c.	$ c.	$ c.
New and Additional Outfit, Terminal Stations.....		2,099 67	2,099 67
" and Additional Outfit, Way Stations		455 10	455 10
" and Additional Outfit, Head Office..	100 00		100 00
" Real Estate, purchase and expenses of	885 90	166 04	1,051 94
	985 90	2,720 81	3,706 71

APPENDIX P.

Government and other Exceptional Charges.

DETAIL OF SERVICE.	1st Half 1876.	2nd Half 1876.	Total 1876.
	$ c.	$ c.	$ c.
Parliamentary Expenses.....	2,771 82	750 00	3,521 82
Agencies and Commissions.....	4,970 00	3,245 93	8,215 93
Lake Agencies and Connections.....	6,338 79	8,000 00	14,338 79
Competitive and Protective Lines.....	1,299 09	5 00	1,304 09
	15,379 70	12,000 93	27,380 63

NORTHERN RAILWAY OF CANADA.

ENGINEER'S DEPARTMENT.

APPENDIX Q.

Detail of New Works and Buildings executed during year ending 31st December, 1876.

	$ c.	$ c.
Buildings:		
Trackman's Cottage, Kempenfeldt	237 76	
" " Longford	476 98	
Six Tool Houses	241 92	
		956 66
Tank Houses, Pipes and Appurtenances:		
Windmill Tank, Collingwood	1,848 75	
		1,848 75
Clearing and Grading Station Yards and Right of Way:		
Station Yard, Washago	100 00	
" Hawkstone	114 12	
		214 12
Crossings, Cattle Guards and Sign Boards:		
King Street Crossing, Crystal Palace, Toronto	149 70	
Road Crossing, 46½ miles	138 40	
		288 10
Fences and Gates, Main Line:		
9.44 miles Single Post and Board Fence	3,239 49	
.96 " Close Board (Snow) Fence, 10 feet high.	978 84	
		4,218 33
Fences and Gates, Way Stations:		
Fence Station Yard, Washago	251 72	
		251 72
Extension of Track and Sidings:		
Yard Tracks, Toronto		
Siding, Central Prison, Toronto		
Clarkson, Hagarty & Grasett, Siding, Bradford		
Yard Tracks, Allandale		
Collingwood Mills Company Siding, Collingwood		
Yard Tracks, Orillia		
McPherson's Lime Kiln Siding, near Longford		
Yard Tracks, Gravenhurst		
Total Extension of Sidings, Year 1876, 96 Miles	6,306 09	
		6,306 09
Total Expenditure on New Works and Buildings during year 1876		$14,083 77

OWEN JONES,
Chief Engineer.

NORTHERN RAILWAY OF CANADA.

ENGINEER'S DEPARTMENT.

APPENDIX R.

Characteristics of Railway, Year 1876.

LENGTH OF TRACK LAID WITH STEEL & IRON.	Main Line.	BRANCHES. Muskoka.	North Grey.		Miles.
From E. side of E. Market St., Toronto, to S. side of Huron St., Collingwood.	94.96				
Belle Ewart Branch	1.34				
Barrie "	1.23				
Muskoka "		49.71			
North Grey "			20.50		
Station Yard Sidings	27.67	4.52	1.10		
Mill and Storehouse Sidings	8.41	2.07	1.11		
Totals	133.61	56.30	22.71	=	212.62
Previously returned	132.76	56.19	24.71	=	211.66
Increase	.85	.11		=	.96

Weight of Rail per yard ..... Steel 60 lbs. Iron 56 & 58 lbs.
Minimum Radius of Curvature ..... 1,432 feet.
Maximum Grade per Mile going North ..... 60 "
" " " " South ..... 52.80 "

Number of Regular Stations including Termini	29
" Flag Stations	10
" Telegraph Stations	27
" Engine Houses	8
" Stalls for Engines	32
" Machine Shop, Toronto	1
" Blacksmith Shops	3
" Carpenter Shops	5
" Car Repair Shops	2
" Tool Houses	27
" Turn-table Roofs, Lefroy and Collingwood	2
" Flour Sheds	6
" Store Sheds—Toronto and Lefroy	2
" Watchmen's Houses	3
" Oil Houses	13
" Tank Houses—7 Brick, 9 Frame. 3 Wind Mill. 3 with two tubs	19
" Weigh Scale Roofs	4
" Ice Houses	4
" Elevators	2
" General Offices, Toronto	1
" Boarding Houses for Company's Employees	6
" Station Houses with Dwellings attached	5
" Turn-tables	7
" Track and Storekeepers' Scales	4

HOUSES FOR EMPLOYEES:		
Station Agents	19	
Switchmen	14	
Roadmasters, Trackmen, &c	56	
		89

WAY STATIONS:		
Fed by Springs	3	
Supplied by Pumps	16	
		19
Wood Sheds (average capacity 600 cords)		5
Freight Houses 100 feet in length and over	15	
" under 100 feet in length	12	
		27
" Partially fitted up as Grain Stores		19

OWEN JONES, *Chief Engineer.*

NORTHERN RAILWAY OF CANADA AND BRANCHES.
ENGINEER'S DEPARTMENT.

APPENDIX S.

Additional Sidings put in during the year 1876.

POSITION.	Total Length.	Available for Cars.	REMARKS.
Toronto Yard	2432	910	
Central Prison	291	116	
Bradford	30	30	
Allandale	730	580	
Collingwood Mills Company	982	850	Ties supplied by owner of [Mills.
Orillia	168	150	
McPherson's Lime Siding	217	125	" " " Kilns
Gravenhurst	433	333	
	5283	3094	
LESS SIDINGS TAKEN UP DURING THE YEAR.			
Stone Quarry Siding	210	75	

Additional Track and Sidings laid in year 1876.....0.96 miles.

OWEN JONES,
Chief Engineer.

NORTHERN RAILWAY OF CANADA.

ENGINEER'S DEPARTMENT.

APPENDIX T.

Statement showing the average number of Men per mile, and cost of Labor *Maintaining Roadway, Works and Buildings*, during year ending 31st December, 1876.

Month.	Mileage.	No. of Working Days per Month.	Total Days.	Total Cost.	No. of Men per Mile per Day.	Wages per Man per mile per Day.
				$ c.		$ c.
January	167.74	26	4,642¼	5,606 85	1.0644	1 20.77
February ...	"	25	4,488	5,458 55	1.0702	1 21.62
March.....	"	27	4,959¾	6,013 15	1.0951	1 21.23
April	"	25	4,356½	5,232 33	1.0388	1 20.10
May	"	27	4,755½	5,663 06	1.0500	1 19.08
June	"	26	4,879¼	5,877 02	1.1187	1 20.44
July	"	26	4,802¾	5,818 45	1.1012	1 21.14
August	"	27	5,367¾	6,408 73	1.1851	1 19.39
September ..	"	26	5,394¼	6,485 85	1.2368	1 20.23
October	"	26	5,072¾	6,191 37	1.1631	1 22.05
November ...	"	26	4,828½	5,908 71	1.1071	1 22.37
December ...	"	26	4,528¼	5,530 68	1.0382	1 22.13
Totals.....	167.74	313	58,075½	$70,194 75	13.2687	14 50.55

	1875.	1876.
Average number of men per mile per day,.....	1.27	1.10.
Decrease in 1876, .17.		
Average wages per man per mile per day, ...	1.19	1.20.
Increase in 1876, .01.		

OWEN JONES, *Chief Engineer.*

NORTHERN RAILWAY OF CANADA.

ENGINEER'S DEPARTMENT.

APPENDIX U.

Statement showing the Average Number of Men per Mile, and Cost of *Section Labour* during the Year ending the 31st December, 1876.

Months.	Mileage.	No. of Working Days per Month.	No. of Sections.	Total Days.	Total Cost.	Average No. of Men per mile per day.	Average Wages per man per mile per day.
					$ c.		$ c.
January.	167.74	26	33	3568¾	3886 08	.8182	1 08.89
February	"	25	"	3404½	3710 50	.8118	1 08.98
March ...	"	27	"	3607¼	4038 29	.7964	1 11.94
April.....	"	25	"	3333½	3626 76	.7949	1 08.79
May.....	"	27	"	3567½	3902 58	.7896	1 09.11
June.....	"	26	"	3522½	3838 51	.8076	1 08.97
July.....	"	26	"	3661¼	3975 47	.8394	1 08.56
August..	"	27	"	4082¼	4409 72	.9013	1 08.00
Septem'r	"	26	"	3852	4151 76	.8825	1 07.78
October.	"	26	32	3439¼	3736 89	.7885	1 08.65
Novem'r	"	26	"	3335½	3643 42	.7648	1 09.23
Decemb'r	"	26	"	3355½	3650 77	.7693	1 08.79
Totals....	167.74	313	32.75 av.	42,738¾	46,570 75	9.7643	13 07.69

	1875.	1876.
Average No. of Men per mile per day.....	.93.	.81.37
Decrease in 1876.....		.12
Average Wages per man per mile per day.....	$1.09	$1.09

OWEN JONES,

Chief Engineer.

NORTHERN RAILWAY OF CANADA.

ENGINEER'S DEPARTMENT.

APPENDIX V.

Statement showing Comparative Cost of Track Labor, also Cost of Labor maintaining Roadway Works and Buildings.

1875	Section Labor	$49,120 35
1876	" "	46,570 75
	Decrease in 1876	$2,549 60=.05%
1875	Maintaining Roadway Works & Buildings	$73,939 36
1876	" " " "	70,194 75
	Decrease in 1876	$3,744 61=.05%

OWEN JONES,
Chief Engineer.

NORTHERN RAILWAY OF CANADA.

ENGINEER'S DEPARTMENT.

APPENDIX W.

Comparative Statement of Iron Rails repaired at Blacksmith's Shop, Allandale, during years 1875 & 1876, and cost per foot.

QUANTITY OF IRON REPAIRED.

			Tons.	Cwts.	Qrs.	Lbs
1875	Repaired Iron,	121,395 ft. @ 58 lbs. per yard	1,047	15	0	10
1876	" "	100,313 " @ 58 lbs.	865	15	3	20
"	" "	14,632 " @ 56 lbs.	121	18	2	19
			987	14	2	11
		Decrease in 1876	60	1	1	27

COST OF LABOUR PER FOOT, REPAIRING.

1875 Feet of Patching 15,008 ÷ $3,339 82 = 22¼c. cost per ft. for labor repairing.
1876 " " 14,525 ÷ 3,198 98 = 22c. " " "

Decrease in 1876 ¼c.

COST OF MATERIAL PER FOOT, REPAIRING.

1876 No. ft. of Patching 14,525 ÷ $1,804 23 = 12.42 per ft. for material repairing
Total cost of Patching per lineal foot .. 34.44c.

OWEN JONES,
Chief Engineer.

NORTHERN RAILWAY OF CANADA.
MECHANICAL DEPARTMENT.

APPENDIX X.

Statement showing Number, Description, Condition, &c., of Engines, on 31st December, 1876.

No. of Engine.	Remarks.
1	In good order.
2	" fair working order.
3	" good order.
4	" " "
5	" fair working order.
6	" " " " —has had Boiler examined and tested.
7	" shop, under repairs.
8	" good order.
9	Condemned, Boiler unsafe and not worth repairing.
10	In good order, has had Boiler examined and tested.
11	" shop for repairs.
12	" good order.
13	" shop for heavy repairs, and new crank axle; had Boiler thoroughly examined and tested.
14	Condemned and not worth repairing.
15	In shop for medium repair.
16	" fair working order.
17	" shop for repairs, and new crank axle.
18	" " under repairs.
19	" good order.
20	" " "
21	" " " —has had four new steel crank pins.
22	" " " " " Boiler tested.
23	" " "
24	" " "
25	" " " —has had tires turned up.
26	" " " " " " " "
27	Building in Company's Work Shops.
28	In shop for thorough repair.
29	" fair working order.
30	" good order.
31	" " "
32	" " " —has had tires turned up.
33	" " "
34	" " " —has been fitted with injector.
	" " " " "

Resume.

In good order	19
" fair working order	5
" shop for repairs	7
Condemned	2
Building	1
	34

P. CLARKE, *Mech. Supt.*

NORTHERN RAILWAY OF CANADA.
MECHANICAL DEPARTMENT.

NORTHERN RAILWAY OF CANADA.

MECHANICAL DEPARTMENT.

APPENDIX Y.

Statement of the Number and Condition of Car Stock, &c., on 31st December, 1876.

DESCRIPTION.	1875.	1876.	REMARKS.
First Class Cars	15	16	"In good order." One new Passenger Car (built in Company's shops) has been added to stock this year. Another new Passenger Car is under construction—about half completed.
Parlour "	3	3	"In good order." Have been fitted with "Winchell's Patent Ventilator."
Smoking "	5	5	"In good order." These cars are old, but are maintained in good and efficient condition. Three of them have been fitted with "Winchell's Patent Ventilator."
Engineer and Pay Car	1	1	"In good order."
Mail and Smoking " (short)	3	3	Two of these have been thoroughly overhauled and reconstructed, and are now in good order; the other is in good running order, but requires overhauling and reconstructing.
Mail and Smoking " (long)	1	1	"In good order."
Baggage and Express cars (short)	3	3	"In good order." Have been fitted with "Miller's Patent Platform."
" " " " (long)	3	4	"In good order." One of these cars (built in Company's shops) has been added to stock this year. Another car is in course of construction.
Auxiliary Car	1	1	"In good order." Equipped with tools and necessary appliances, ready for use.
Boarding Cars	3	3	"In running order." Fitted with bunks, &c., for use of Wood Train men, sawing machine gang, &c.
Conductors' Vans	16	16	"In good order." For Freight Train service.
Cattle Cars	8	8	" " "
Oil "	3	3	" " "
Box "	190	190	" " "
Platform Cars	512	512	" " " One is fitted up to carry lime.
Dump "	52	52	About half the number are in "good order," the others are under repair.
Snow Ploughs	2	2	"In good order." One of them is a flat car fitted with hinged extending wings, upper housing, etc. The other—built for the purpose—is fitted with "Goulette Patent Flangers."

P. CLARKE, *Mech. Superintendent.*

4
2
10
16

Hamilton

200 Box

2 Mail
2 Mail

NORTHERN RAILWAY OF CANADA.
MECHANICAL DEPARTMENT.

APPENDIX Z.

Statement of the Number and Condition of Stationary Engines, etc., at 31st December, 1876.

DESCRIPTION.	1875.	1876.	REMARKS.
Fire Engines	4	6	Engines and Hose "in good order." Two light engines have been made at Company's shops since last report, and supplied with necessary hose; they are placed at out stations (Aurora and Orillia.)
Wood Sawing Engines	3	3	The Elevator Sawing Machine and Engine "is in good order," has had 3 light repairs during the year, the other two old engines are in "fair working order."
Car Transfer Machine			"In good order." The G. T. R. Co. supplied the machine (Nutter's Patent), the N. R. C. the Engine and Boiler (from Collingwood Local Elevator) for working same, and also gearing for moving cars to and from hoist, worked by Engine.
Grain Elevator Engines and Machinery	4	3	The Engines and Machinery of the Toronto and Collingwood are "in good order," except the Boiler in Collingwood Elevator, which requires some repairs, the Engine and Boiler from Collingwood old Elevator is in stock, the engine and boiler from local elevator is used to work transfer car hoist.
Shop Engine	1	1	"In good order" has had one light repair during year.
Machinery, Shafting, etc.			"In good order" the whole of the shafting and machines have been fitted to use "patent lubricator."
Machinery of Pumping Stations.			"In good order" a new windmill and pump (Halladay patent) with 17 foot tub, has been supplied at Orillia, and a similar one at Collingwood.

P. CLARKE,
Mechanical Superintendent.

NORTHERN RAILWAY OF CANADA.
MECHANICAL DEPARTMENT.

APPENDIX Z a.

P. CLARKE,
Mechanical Superintendent.

NORTHERN RAILWAY OF CANADA.

MECHANICAL DEPARTMENT.

APPENDIX Z a.

Cost of Working and Repairing Engines (per mile in cents) for 12 months ending 31st Dec., 1876.

Month.	Engine Mileage.	Wood. Cubic feet.	Wood. Cost.	Oil & Tallow. Lbs. ℔ 100 miles run.	Oil & Tallow. Cost.	Cost Small stores.	Proportion of Attendance.	Enginemen, Firemen, & Cleaners' Wgs	Total Cost of Working.	Cost of Wages repairing.	Cost of Stores repairing.	Total Cost of repairing.	Total Cost of Working & repairing.	REMARKS.
January.	47,263	3.08	6.68	4.55	.19	.16	.17	4.68	11.88	2.06	.81	2.87	14.75	Wood was charged during the year @ $2.77 526 per cord
February	46,533	3.23	7.00	4.54	.19	.17	.17	4.79	12.32	2.30	.70	3.00	15.32	
March ...	51,438	3.11	6.75	4.33	.21	.14	.16	4.65	11.91	2.24	1.11	3.35	15.26	
April. ...	49,760	2.82	6.11	4.16	.21	.07	.16	4.61	11.16	2.25	.43	2.68	13.84	
May.....	62,911	2.95	6.40	4.16	.24	.15	.13	4.47	11.39	1.53	.37	1.90	13.29	47.46 miles run per cord consumed.
June.....	72,788	2.77	6.01	4.03	.14	.05	.11	4.36	10.67	1.56	.48	2.04	12.71	
July.....	60,719	2.74	5.94	3.99	.21	.11	.13	4.38	10.77	1.46	.44	1.90	12.67	
August..	55,029	2.64	5.74	4.02	.22	.14	.15	4.52	10.77	1.54	.59	2.13	12 90	23 46 miles run per pound or pint of Oil and Tallow consumed.
Sept'r...	55,094	2.84	6.16	4.04	.20	.16	.15	4.49	11.16	1.40	.15	1.55	12.71	
October.	57,637	3.08	6.68	4.35	.20	.08	.16	4.58	11.70	1.69	.86	2.55	14.25	
Nov'r....	51,188	2.94	6.42	4.40	.19	.07	.16	4.74	11.58	1.95	1.40	3.35	14.93	
Dec'r.....	46,195	3.36	7.28	4.55	.23	.20	.18	4.87	12.76	1.86	1.16	3.02	15.78	
Totals ...	656,555	35,56	77.17	51.12	2.43	1.50	1.83	55.14	138.07	21.84	8.50	30.34	168.41	
Average for 12 Months.	54,713	2.96	6.43	4.26	.20	.12	.15	4.59	11.50	1.82	.71	2.53	14.03	

		C. M.
Total cost of Working and Repairing (per mile)	1876.....	14.03
" " "	1875.....	14.28
Decrease "	1876.....	.25

P. CLARKE, JUN., *Mechanical Superintendent.*

NORTHERN RAILWAY OF CANADA.

MECHANICAL DEPARTMENT.

APPENDIX Z b.

Statement of the cost (per train mile) of running and repairing Cars for the year ending 31st December, 1876.

MONTH.	Train Miles.	Cost of Wages Repairing.	Cost of Stores Running and Repairing.	Total Cost of Repairing.
January	40,061	3.18	2.72	5.90
February	38,461	3.20	2.76	5.96
March	42,208	3.23	2.86	6.09
April	41,094	3.02	2.98	6.00
May	52,619	3.06	4.12	7.18
June	59,057	3.05	3.12	6.17
July	50,836	2.95	1.48	4.43
August	46,836	2.60	2.61	5.21
September	45,727	2.69	1.52	4.21
October	47,707	2.53	1.74	4.27
November	42,201	3.07	3.29	6.36
December	37,769	3.30	4.16	7.46
Totals	544,576	35.88	33.36	69.24
Average for 12 Months	45,381	2.99	2.78	5.77

Cost (per Train Mile) in 1876.....5.77
" " 1875.....7.16

Decrease, 1876.....1.29

P. CLARKE,
Mech. Supt.

MECHANICAL DEPARTMENT.

APPENDIX Z c.

Statement of Miles run by each Engine during the year ending 31st December, 1876.

APPENDIX Z c.

Statement of Miles run by each Engine during the year ending 31st December, 1876.

No. of Engine.	Jan.	Feb.	March.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.	Total Miles.	Description of Train.
1	1078	748	1620	1205	1914	1899	1848	780	517	1521	816	1677	15623	Shunting.
2	.....	.....	.....	1205	625	1923	524	.....	.....	346	2492	36	7151	"
3	.....	.....	.....	.....	.....	920	2792	3136	994	.....	.....	.....	7842	Passenger.
4	1408	2477	2090	[illegible]	2716	2561	1656	3380	3378	2166	102	3510	29106	Mixed, Freight, Passenger.
5	1967	1886	2198	191[illegible]	713	510	2268	1186	2640	2456	2511	1445	21695	" "
6	1194	1118	2523	1625	2725	2462	2688	2502	2661	2904	300	2531	25233	Shunting.
7	2068	2673	2766	1838	1528	2908	2519	2492	2750	2424	2465	858	27289	Passenger, Mixed, Freight.
8	2820	2756	3183	2652	2881	2452	3044	2854	2852	2694	3000	2851	34042	"
9	.....	.....	.....	993	3206	3429	2258	529	.....	.....	.....	.....	10415	Freight.
10	336	2040	2280	2456	3405	2392	2573	2244	2864	732	2315	2272	25909	Passenger, Mixed, Freight.
11	1641	1346	.....	434	612	2490	3498	1672	2614	2704	2250	768	20029	Freight, Shunting.
12	2451	2410	2514	2178	2690	3258	2292	2076	550	3276	2958	2556	29209	Passenger, Mixed, Freight.
13	2146	.....	.....	72	2663	2502	2583	2104	2136	2574	2113	.....	18893	Freight.
14	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Laid up.
15	2280	695	2435	1884	1871	3271	2754	1603	3274	2983	2846	1009	26905	Freight, Wood, Engineering.
16	1890	782	1884	196	196	2300	2303	3139	2247	2534	2625	2112	22708	Passenger, Mixed.
17	2285	2440	2000	2666	3233	1688	2532	1814	3810	2146	.....	.....	24564	Freight.
18	2824	2423	2996	2274	2624	1048	1276	3164	2494	2934	2539	726	27327	Passenger.
19	1104	2556	1679	2520	2520	3421	2708	1845	104	483	169	2371	21480	Freight, Mixed.
20	1702	1923	2988	2700	3180	3728	446	.....	.....	.....	170	1096	17933	Freight.
21	2178	.....	1242	2196	2415	417	.....	.....	1560	2012	1507	1364	14891	"
22	3119	3148	2872	2833	3053	2910	.....	.....	.....	.....	.....	1593	19528	"
23	540	1029	.....	579	.....	1868	478	1059	1596	460	1059	.....	8648	Shunting.
24	927	1176	1837	721	1768	2524	1824	1659	1865	1824	1350	1225	18700	"
25	2010	2396	3093	162	.....	.....	.....	.....	.....	.....	165	2051	9877	Freight.
26	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Building in Shops.
27	.....	331	102	1164	2735	3865	2513	2601	2781	3165	2774	.....	22031	Freight.
28	.....	63	.....	1243	3243	3434	3051	1927	2339	3584	2980	.....	21869	"
29	2560	2870	2004	2500	3146	2558	3003	3014	2820	1938	3126	2208	32347	Passenger.
30	2450	2562	2878	2676	2689	2326	1312	2962	2983	2493	2734	2826	31391	"
31	2300	2538	2284	2429	2783	1813	.....	.....	.....	.....	.....	2296	16443	Mixed.
32	2040	2142	1958	1886	1530	612	2356	2454	1740	2244	2142	1632	22736	Freight.
33	.....	.....	.....	.....	242	2244	.....	.....	.....	1912	242	2636	7276	Mixed.
34	.....	.....	.....	.....	.....	2555	3140	2233	1025	3128	3438	1946	17465	"
Totals..	47233	46583	51438	49760	62911	72788	60719	55029	55094	57637	51188	46195	656555	

Total Miles run in 1876..... 656,555
" " " 1875..... 641,827

Increase in 1876..... 14,728

P. CLARKE, *Mech. Superintendent.*

NORTHERN RAILWAY OF CANADA.

MECHANICAL DEPARTMENT.

APPENDIX Z. d.

STATEMENT of Miles Run by each Class of Train, during 12 months of year 1876.

Month.	Passenger.		Mixed.		Freight.		Wood.		Engineering.		Wrecking & Snow Plow.		Train Miles.	Shunting, Piloting, &c.	Total Engine Miles.	Total Car Miles
	Engine	Car.	Engine	Car.	Engine	Car.	Engine	Car.	Engine	Car.	Engine	Car.				
January.	13,940	50,499	9,156	81,556	13,512	183,856	3,453	39,766	.....	.....	.....	.....	40,061	7,202	47,263	355,677
February	13,422	49,842	8,500	68,441	13,565	182,161	2,668	29,409	202	2,557	104	912	38,461	8,072	46,533	333,322
March ..	14,805	53,471	9,180	69,906	14,238	183,815	2,730	31,036	1,151	15,559	104	364	42,208	9,230	51,438	354,151
April ...	13,532	49,696	8,500	72,250	14,759	205,473	2,948	31,767	1,216	8,770	148	908	41,094	8,666	49,760	368,864
May	14,794	56,011	9,180	95,458	24,508	388,128	1,412	16,531	2,725	19,258	.....	.....	52,619	10,292	62,911	575,386
June	16,185	64,623	7,658	72,386	31,947	519,709	.....	.....	3,268	30,955	.....	.....	59,057	13,731	72,788	687,673
July	22,590	99,018	2,717	22,282	22,014	341,083	.....	.....	3,515	34,671	.....	.....	50,836	9,883	60,719	497,054
August..	23,008	100,387	2,862	26,910	17,472	280,957	.....	.....	3,470	35,710	24	48	46,836	8,193	55,029	444,012
Sept'r...	21,655	95,566	2,756	27,202	18,258	299,863	2,194	30,498	864	10,708	.....	.....	45,727	9,367	55,094	463,837
October..	15,322	62,885	8,863	97,269	19,728	325,048	3,622	43,179	172	1,873	.....	.....	47,707	9,930	57,637	530,254
Nov'r...	15 236	61,380	8,855	86,414	13,758	213,507	3,514	42,459	838	8,583	.....	.....	42,201	8,987	51,188	412,343
Dec'r ...	15,360	60,017	8,840	70,303	11,264	151,026	2,050	22,491	255	2,136	.....	.....	37,769	8,426	46,195	305,973
Totals ..	199,849	803,395	87,067	790,377	215,014	3,274,626	24,591	287,136	17,676	170,780	380	2,232	544,576	111,979	656,555	5,328,546
Average No. of Cars on Train.	4.0		9.7		15.2		11.6		9.7		.....	.....	.....	.....	.....	.....

P. CLARKE, *Mechanical Superintendent.*

Statement

STATIO

City Hall, Toro
Brock Street '
Davenport ...
Thornhill.....
Richmond Hill
King.....
Aurora .....
Newmarket..
Holland Landi
Bradford.....
Gilford .....
Lefroy .....
Belle Ewart ..
Bramley .....
Allandale .....
Barrie .. ..
Angus .....
New Lowell..
Stayner.....
Collingwood..
Thornbury ....
Meaford .....
Gowan .....
Hawkstone ..
Orillia .....
Longford .....
Washago.....
Severn.....
Gravenhurst.
Conductors' C
Through Tick
Through Freig
Mails, Wharfe
&c.....

Totals.....
do. .....

Increase ....
Decrease ....

NORTHERN RAILWAY OF CANADA.

TRAFFIC DEPARTMENT.

APPENDIX Z. e.

Statement of Traffic and Earnings on Passengers and Freight Outwards from Stations, 1876.

STATIONS.	No. of passengers.	Passenger Earnings.	Tons Freight Outwards.	Freight Earnings.	Total Earnings. Passengers, Freight, &c.
		$ c		$ c	$ c.
City Hall, Toronto	30987	45926 79	.....	.....	45926 79
Brock Street "	8138	12617 59	22863	82809 07	95426 66
Davenport	2179	1211 22	.....	.....	1211 22
Thornhill	2795	2043 50	619	1725 50	3769 00
Richmond Hill	4690	3214 30	762	2123 30	5337 60
King	4593	2788 14	2174	2820 78	5608 92
Aurora	10313	6521 25	4875	7149 12	13670 37
Newmarket	14484	10201 47	9880	15060 62	25262 09
Holland Landing	3554	1936 80	1362	2463 00	4399 80
Bradford	11357	8805 50	23043	38223 31	47028 81
Gilford	2034	1568 21	4594	7520 62	9088 83
Lefroy	4890	3617 19	10812	18120 06	21737 25
Belle Ewart	.....	.....	4161	5587 10	5587 10
Bramley	2682	1680 86	10674	12340 42	14021 28
Allandale	7026	5274 28	7756	13904 18	19178 46
Barrie	22769	22730 42	9423	20369 61	43100 03
Angus	8085	5050 14	31423	55283 70	60333 84
New Lowell	4789	2956 61	12831	22079 37	25035 98
Stayner	11249	7660 50	9251	17980 09	25640 59
Collingwood	15870	13850 10	31235	51139 63	64989 73
Thornbury	6082	4705 14	3981	10117 35	14822 49
Meaford	6954	8687 84	3060	8518 35	17206 19
Gowan	.....	.....	3351	5510 96	5510 96
Hawkstone	1805	932 39	1266	2335 15	3267 54
Orillia	14812	15115 86	12244	22141 06	37256 92
Longford	.....	.....	13485	21030 59	21030 59
Washago	1657	949 45	1155	2167 20	3116 65
Severn	2240	1675 07	3814	7218 81	8893 88
Gravenhurst	5718	9541 45	10802	21962 71	31504 16
Conductors' Collections	21401	15077 96	.....	.....	15077 96
Through Tickets	24153	22545 15	.....	.....	22545 15
Through Freight	.....	.....	14412	14999 75	14999 75
Mails, Wharfage, Storeage, &c.	.....	.....	.....	53214 79	53214 79
	257315	$238885 18	265308	$545916 20	784801 38
Totals.....1876	232648	227741 25	228663	516857 40	744598 65
do. 1875					
	24667	$11143 93	36645	$29058 80	40202 73
Increase	.....	.....	.....	.....	.....
Decrease					

BARLOW CUMBERLAND,
General Freight and Passenger Agent.

	Butter and Cheese, Tons at 2,000 lbs.
Toronto	7
Thornhil	.....
Richmo	.....
King....	.....
Aurora ..	.....
Newmar	5½
Holland	.....
Bradford	17½
Gilford..	6½
Lefroy ..	4½
Belle Ew	.....
Bramley	1½
Allandale	.....
Barrie ..	6
Angus ..	9½
New Low	.....
Stayner .	13
Collingw	1
Thornbu	20½
Meaford	34
Gowan .	.....
Hawksto	3
Orillia..	3½
Longford	.....
Washago	1
Severn ..	.....
Gravenhu	.....
	134

and Passen

	Butter and Cheese, Tons at 2,000 lbs.	Horses, Cattle, Sheep and Pigs. No.	General Merchandise, Tons at 2,000 lbs.
Toronto	7	223	17,448
Thornhil	.....	69	187
Richmon	.....	373	233½
King....	.....	800	54
Aurora ..	.....	182	581½
Newmark	5½	751	441
Holland	.....	7	204½
Bradford	17½	3,166	713
Gilford..	6½	751	86
Lefroy ..	4½	311	1,034½
Belle Ew	.....	.....	25
Bramley	1½	74	1
Allandale	.....	68	281½
Barrie ..	6	68	1,074
Angus ..	9½	35	123
New Low	.....	55	155
Stayner .	13	408	271
Collingw	1	425	1055
Thornbu	20½	1,220	153
Meaford	34	1,656	325
Gowan ..	.....	.....	3½
Hawksto	3	62	44½
Orillia..	3½	119	815
Longford	.....	.....	16
Washago	1	7	108
Severn ..	.....	12	35½
Gravenhu	.....	7	262
	134	10,889	25,731

and Passenger Agent.

NORTHERN RAILWAY OF CANADA.

TRAFFIC DEPARTM ENT.

APPENDIX Z. f

Classification of Freight forwarded from Stations for the year 1876.

STATIONS.	Grain, bushels.	Bran & other Feed, Tons at 2,000 lbs.	Flour and Oatmeal Barrels at 200 lbs.	Lumber, Shingles, Lath. Cars at 20,000 lbs.	Cedar Posts, Bark Slabs Cars at 20,000 lbs.	Square Timber, Cubic feet.	Rafting Stuff. Cars at 20,000 lbs.	Cordwood. Cords at 3,300 lbs.	Stone and Brick. Cars at 20,000 lbs.	Lime. Tons at 2,000 lbs.	Coal. Tons at 2,000 lbs.	Hay. Tons at 2,000 lbs.	Fish. Tons at 2,000 lbs.	Salt, Coal Oil, Tar, Brls.	Dressed Hogs, Pork, Beef, &c., &c. Tons at 2,000 lbs.	Butter and Cheese, Tons at 2,000 lbs.	Horses, Cattle, Sheep and Pigs. No.	General Merchandise, Tons at 2,000 lbs.
Toronto	22,357	.....	2,149½	2	.....	.....	.....	.....	.....	574½	2035	.....	32½	11,395	83	7	223	17,448
Thornhill	207	.....	502	5	.....	13,934	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	69	187
Richmond Hill	1,776	½	1	8	.....	17,909	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	373	233½
King	48,893	1	1,170	19	.....	.....	.....	281½	.....	.....	.....	.....	.....	.....	3	.....	800	54
Aurora	122,530	5	260	23	25	.....	.....	730½	½	.....	10	.....	.....	.....	.....	.....	182	581½
Newmarket	141,068	96½	32,341½	138	34	1,043	.....	180	.....	.....	.....	.....	.....	4	57½	5½	751	441
Holland Landing	27,429	.....	837	32	.....	.....	.....	.....	.....	.....	.....	.....	.....	1	.....	.....	7	204½
Bradford	481,930	.....	3,842	717	6	17,600	.....	.....	21	.....	.....	.....	.....	.....	20½	17½	3,106	713
Gilford	62,081	.....	582	8	8	.....	.....	.....	232	.....	.....	.....	.....	.....	2	6½	751	86
Lefroy	159,177	1½	2,201½	284	88	.....	.....	44½	83	.....	.....	.....	½	4	16½	4½	311	1,034½
Belle Ewart	.....	.....	700	388	2	.....	.....	.....	9	.....	.....	.....	.....	.....	.....	.....	.....	25
Bramley	34,109	.....	2,214	166	44	6,106	.....	207	683	.....	.....	.....	.....	1	.....	1½	74	1
Allandale	2,351	20	10,711	480	67	19,614	2	164½	29	.....	.....	.....	.....	.....	2½	.....	68	281½
Barrie	47,044	56	10,199½	538	4	3,611	.....	39	.....	.....	2	.....	7½	7	73½	6	68	1,074
Angus	115,896	12	13,337	2,356	153	29,207	65	.....	.....	.....	.....	.....	1	.....	11½	9½	35	123
New Lowell	16,113	.....	437½	854	51	21,000	.....	13	.....	.....	.....	.....	.....	1	3	.....	55	155
Stayner	156,443	156	10,330½	254	33	.....	.....	.....	3	.....	.....	75½	1	12	62	13	408	271
Collingwood	178,638	65	10,815	1,120	24	460,874	142	60	4½	1	21½	7½	783½	2,473	92½	1	425	1055
Thornbury	76,464	41½	9,037½	30	4	.....	.....	.....	6	.....	.....	.....	1½	25	24	20½	1,220	153
Meaford	63,540	.....	2,379	.....	1	.....	.....	.....	.....	.....	.....	.....	94	13	77½	34	1,656	325
Gowan	.....	.....	20	293	1	.....	.....	126	.....	.....	.....	.....	.....	.....	.....	.....	.....	3½
Hawkstone	614	9	547	63	.....	.....	.....	300	1	2	.....	.....	.....	.....	2	3	62	44½
Orillia	18,049	45	3,001	964	55	.....	10	253	31½	.....	26½	.....	.....	124	64½	2½	119	315
Longford	164	.....	24	1,319	3	.....	.....	.....	2½	186½	.....	1	½	2	.....	.....	.....	16
Washago	19	4½	61½	99	13	1,000	.....	.....	.....	.....	.....	.....	.....	.....	.....	1	7	108
Severn	213	.....	19	363	8	3,985	.....	.....	.....	.....	.....	.....	.....	.....	1½	.....	12	35½
Gravenhurst	.....	.....	26	483	.....	278,435	12	.....	.....	.....	.....	.....	.....	.....	.....	.....	7	262
Totals	1,777,105	514	117,746	11,006	624	874,318	231	2,399	1,106	764	2095	84	922	14,062	597	134	10,889	25,731

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BARLOW CUMBERLAND,
General Freight and Passenger Agent.

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Northern Railway of Canada.

REPORT OF PROCEEDINGS.

ANNUAL MEETING, TORONTO, 9th MAY, 1877.

(For resolutions see official Minutes.)

The PRESIDENT: Gentlemen, you have heard the report read, which report, I think, is more exhaustive, lucid, and complete than is usually presented on occasions of this kind. This has arisen from the fact that we have now dissolved partnership with the Government, and also from the fact that the extensions are fully completed and in working order up to the objective point, Gravenhurst. We desired, therefore, that on this occasion the report should be a very full one, showing, in the first place, the amount of money that had been paid to the Government from time to time in discharge of the advances made to this Company at a time when they entered somewhat into possession. The report shows that the total amount of payments which will have been made by the Company to the Government on the lien being finally discharged, will amount to nearly £248,000 sterling, against the amount of £475,000 sterling originally advanced by the Government. I congratulate the proprietors of the Company upon being relieved of all Government claims. The desire of the Government too was to dissolve partnership; although I can say with all confidence that they looked upon this concern as one of the redeeming features in relation to Canadian railways, and assisted us in every possible way to get the Act which we are to-day enabled to tell you we have obtained. This Act is infinitely superior to the Act of 1875. One reason of its superiority is, as the report mentions, that it reduces the interest charges preferential to the ordinary stock by a very considerable amount. The amount of such charges, under the Act of 1875, was £10,000 in excess of the amount represented in the Act of 1877. After the passage of the Act of 1875, the General Manager being in England, consultations were held in London with the principal proprietors of the railway as to the operation of that Act, and the conclusion come to was that it might be much amended, and we came unanimously to the opinion that a preference issue,

taking front rank, would be the proper and really economical issue to make. I am glad to tell you, gentlemen, that the arrangement was subsequently sanctioned by a very large number of the proprietors in London, including the members of the English Board, who are themselves the holders of very large investments in the concern. Mr. Kingsford, whom I have much pleasure in introducing to you, has been deputed by those gentlemen to visit us for the purpose of assisting in obtaining the Act referred to in the report, and he came clothed with full power to act for them in the best interests of the whole undertaking. We conceive we have got a good Act. It will, of course, remain for the directors to say how and when they can best place on the market the securities which the Act authorises to be issued. We do not intend to act hastily in a matter of this sort, because it is the duty of the Executive to observe great caution in dealing with this measure, so that an issue which is an undeniably sound security shall be made to yield a good and sufficient return. One feature of the financial clauses of this Act, which I regard with great satisfaction, is that it not only provides for new capital in the best and cheapest possible way, but it provides for consolidating into the same front rank the First Preference Debentures maturing in 1879, and also the First Preference and Mortgage Debentures of the Amalgamated Lines, so that hereafter we shall have one simple security over the whole amalgamated property, and that the volume of it will be of an aggregate amount sufficient to ensure an active and ready market at all times. In reviewing the operations of 1875, I am happy to be able to say that the results of the past year's business are very gratifying to us, and I am sure will be so to the English proprietary. I wish I could have reported that the same good results had marked the past two or three months of the present year; but the causes of the recent reduction in earnings are apparent and quite exceptional and temporary, being due to the comparative failure of the crops of 1875; and we confidently hope and believe, from the improved prospects before us—the prospect of a good harvest, the revival of the timber trade, and a general revival in business—that we shall be able to present as good a report next year as we have presented to-day. We have, as you, gentlemen, are aware, peculiar facilities for the transaction of our business. We have excellent properties here in Toronto; we have elevators at Collingwood and Toronto; and the work of the produce interest done by the Northern Railway Company is esteemed not only by those engaged in the trade, but also by the banking community, in connection with our warehouse receipts, which hold the highest rank. The working of the elevators has been directly as well as indirectly profitable to this Company, and there are times when we could abundantly work another elevator; but that is out of the question for us to consider at the

present moment. I merely tell you, gentlemen, that these media for conducting the business of the Company have redounded to our profit. The only matter in connection with that part of the Company's business which has afforded subject for regret has been the complaint made from time to time by the produce trade of the very heavy insurance rates they were obliged to pay on produce in the elevators. We think the charges are excessive, but they are at present beyond our control. If it were possible for us to take risks of that kind it would prove an extremely safe and profitable business to the Company, inasmuch as we have never lost one bushel of wheat; that the greatest precautions have been taken and the greatest care is exercised in regard to fire, and no casualty of any kind has ever happened in the conduct of our elevator and storage business, But that is the only matter of regret in connection with the elevating system of this railway, viz., the heavy rates of insurance charged by the Companies; and circumstances may induce and oblige us in connection with the trade to adopt some measures which will correct the existing anomaly. But, as I have said, the efforts of the Company are thoroughly appreciated by the produce trade and by the banking community of Toronto. Another and very important feature of the report is that having reference to the amalgamation of the two concerns, and this is the last report in which allusion will be made to the Extensions Company, the two Companies forming hereafter one concern. I have prepared figures, which perhaps few have thought of, in connection with the old capital account of the Northern Railway of Canada—that is, the 95 miles stretching from Toronto to Collingwood. In calculating the capital account, we must of course include £100,000, being the rate at which the Government lien has been commuted, but which was, however, only upon the 95 miles of the original main line, and did not extend to the extensions, which have greatly added to the permanent value and strength of the concern, and that I am prepared to say in all confidence. It must be borne in mind that the Company having originally a considerable capital account, had also an enlarged capital account for restoration in 1858, which augmented the original capital account by a considerable sum. The figures show that the mileage cost of the original Northern Railway, from Toronto to Collingwood, was $51,786 per mile. Taking in the bond issue of £683,900, the commutation of the Government lien to £100,000, and share capital of £163,040, the sum, with the floating debt, amounts to about $5,000,000; and the point I wish to make is this: that under the Deed of Amalgamation we acquire, through the Extensions Company, 72 miles of railway at a cost of $19,977.62 per mile, which, added to the old capital account of the Northern Company and divided by 167 miles, brings down the capital of the amalgamated concern to a little less

than $40,000 per mile—an amount such as may be readily carried by ordinary earnings. So I think, gentlemen, we can truly congratulate ourselves upon amalgamation having been secured, and secured upon such a reasonable and safe basis. The report at the outset refers to the lateness of our meeting. It is scarcely necessary for me to tell you why it has been so late. The General Manager's absence in England in order to carry into effect the Act of 1875, and the Company having to go before Parliament with new legislation, necessarily postponed our meeting beyond the usual date. Those are matters we could not avoid, and we believe that the postponement was a wise one, as we are now able to report that we secured additional legislative powers which will give us very cheap money, absolute freedom in the management of our affairs, and it now rests with us to place the securities on the market at such a favourable time as that they shall realize for the Company the largest proceeds. The General Manager, as is his province, will enter more particularly into the various accounts of the Company than it is possible for me to do, because my attention is principally directed to the general administration of the undertaking. I will therefore at once move the adoption of the report, and I do so with a great deal of pleasure and a very strong feeling of confidence. I move:—"That the report be adopted, and that the same, with the usual detailed accounts and statistical statements, be printed for distribution amongst the proprietors."

Mr. William Elliot: I have much pleasure in seconding the adoption of the report, which must be very gratifying indeed to all parties interested in the road. I had no idea, considering the depression of the times, that the road could have made such advances. I regret, in common with the President, that the last two months have not been so prosperous; still, we may fairly hope, as we anticipate a good crop and a resumption of general activity, that the year 1877 will prove equally as prosperous as 1876. After the reading of the exhaustive report, and the supplementary remarks made by the President, there is little need for further observations; but I wish to refer to a matter personal to myself. About eight years ago I was for the first time elected to a seat on the Board. I believe I was elected because I then occupied the prominent position of President of the Board of Trade, and my appointment was in compliment to and respect for the commercial interests of the city. In attending the meetings of the Board it has been part of my duty to watch, as far as opportunities permitted, the commercial interests of the city as well as those of the railway itself. I am but a plain business man; I do not now occupy any prominent public position; and Mr. Cumberland will bear me witness that almost every year I have said to him: "If you know of any person who will be of more use to the road than myself as a director,

I am quite ready and willing and wishful to retire." A very important and promising crisis has now come in the history of the road. You have heard, gentlemen, of the recent legislation which has been obtained by the Company, and you know how important it is that the Board should be strengthened by the accession of gentlemen of prominence, if they can be secured, who will be able, by their activity, influence and weight, to aid in the vigorous administration of the concern. I desire, therefore, to tender my resignation, or rather I should say that I am no longer a candidate for election as a Director of the Company. In doing so I beg to express my sense of the courtesy and kindness which I have received from yourself, Mr. President, from the former President, from the General Manager, and from every member of the Board of Directors. I have felt much pleasure in acting with each Director, and with the General Manager; and I will say that, so far as regards business coming before the Board, nothing within my experience has been done except what was strictly of an upright, honest, business-like character. In regard to Mr. Cumberland himself, who has had the great weight of this undertaking on his shoulders for so many years, everything has been done by him, as I believe, with a view to the best interests of the Company and of the road. I believe it has been with him a sort of Northern Railway on the brain; the prosperity of the road has been the great and absorbing object of his career. If on a critical review extending over some twenty years, some few things have been done which prudent business men might think a little out of the way, I yet believe that so far as Mr. Cumberland has been concerned, they have been done in the belief that they were for the best interests of the road. I am a very careful, prudent business man, and possibly some things have been done as matters of policy, and under the pressure of peculiar connections, which, if my advice had been asked, I might not have advised; but still I have this belief, that whatever has been done in connection with the road by Mr. Cumberland, or assented to by him, has been done with a sole view to promote the interests of the road and of all parties concerned in it. In retiring, I beg to say that I shall ever feel a deep interest in the welfare of the railway. I am getting to be an old man; I don't care for public matters, and don't wish to continue in this public position, and I hope some gentleman may be found to succeed me who will give greater weight and more time and activity to the interests of the Company than I can now bestow. In taking leave of the Company as a Director, I beg to repeat my expression of thanks to you Mr. President, to the General Manager, and to my late colleagues, for the kindness and courtesy they have ever extended towards me.

The President: Gentlemen, the report is now open for discussion, and the General Manager, if desired, will enter into any

explanations or statistics connected with the Company that the proprietors may desire.

Col. CUMBERLAND: Mr. President and Gentlemen, it has been usual on previous occasions that I should enter into somewhat more detailed explanations of the operations of the road than can be conveniently embodied in the report itself; but I am unwilling to intrude myself unnecessarily upon the meeting, because the present report is unusually exhaustive, and because much that I could have said has been very much better said by the President. Moreover, if I venture to congratulate you on the result of the past year's business, I may be admonished by the suggestion that I am inferentially applauding the work of your Executive. I may however, say that these results have certainly taken the friends of the road by surprise, because it was not unnaturally expected that the commercial depression which has adversely affected other and kindred interests would have thrown something of a cloud over us. But if, by reason of the peculiar location of our line, and the peculiar character of our business, we have emerged from a time of trial, not only unscathed but strengthened, I yet am bold enough to say (and I can say it without suspicion of motive, because of late I have been so much and frequently absent from the helm) that however much our prosperity is due to the exceptional and intrinsic value of our undertaking, at least a measure of it is also due to the possession of a staff of officers not only most skilful and devoted, but who are capable at any time, even in the absence of their chief, of carrying on the service of the railway in its practical operations to its highest and most productive results. It will be gratifying, gentlemen, to you to learn that in every item of our earnings, whether in passenger, freight, storage or other department, an increase has been exhibited on 1875. The passenger traffic in 1876 showed an increase as compared with 1875 of $11,000; the freight earnings nearly $30,000; storage, $4,600; whilst in every other item of earnings there was some advance,—a decrease in none. So also with regard to working expenses. You will find that we expended last year, on the services of which I am most jealous, and which in my judgment so vitally affect the permanent soundness and financial safety of such undertakings viz., the "maintenance of works," and "maintenance of rolling stock," —in relation to which the temptation of convenience so often leads to false economy, and dangerous postponement—we have expended, I say, a more liberal sum in the upholding of the property in 1876 than even in 1875, with which we make so favourable a comparison. It has thus been in the items for actual working of engines and trains, in the running of cars, the movement of freight, the general handling of the traffic, in the terminal charges and the expenses of outlying stations and agencies, that the working reductions have

been achieved, even in the face of considerable and unavoidable increase, due to temporary causes, in our current outlay in interest, discounts, and commissions. Gentlemen, you will find—and I think it is acknowledged by all who know the line, who have travelled over it, and observed it with anything like a critical eye—that the present condition of the road is one of undoubted efficiency and stability—that it was never in better condition, and that there is not much, if any, room for improvement, except so far as relates to the more liberal introduction of steel instead of iron rails. Our working expenses, all told, have amounted in 1875 to 58.42 per cent. of our gross receipts. Low prices have had something to do with this, and under normal conditions, I don't want to see our ratio of expenditure go any lower. Our average rate during the last five years has been 62.04 per cent.; and in connection with Canadian and American Railways I should regard any lower average rate with the suspicion that it was reached at the expense of efficiency; that it really meant some future appeal to that most objectionable of all objectionable railway items—a "renewal" account. Notwithstanding, then, that we have been passing through a period of commercial inaction, we have the comfortable and assuring knowledge that our line is in a condition of physical efficiency, and that when better times come, and we are again in full traffic activity, with larger gross earnings, we shall be able to work at a minimum of cost and thus secure our full proportion of net returns, which would be impossible if we passed into a good commercial period with the road in a questionable condition. The earning power of our line is now larger than ever before. In one year (I think 1872) our gross earnings reached £180,000 sterling, with a net result of £75,000. My own belief is that our working power and equipment are to-day considerably in excess of that; and that, with the exception of those demands which are referred to in the report, and which must be met, arising from new industries and new establishments happily springing up from time to time all along our line, the Company is in a better position to-day to cheaply earn larger gross and net revenues than ever before. I say demands are always being made upon us for new facilities, and I rejoice that it is so. Only on Friday last, when passing over the road, five different applications from five new establishments were made for five new sidings. Now, the whole secret, as I take it, of our success in the past has arisen from the careful and liberal nursing we have given to every local interest. Any one who has observed the operations of the road, will have discovered that in dealing with the different interests, whether milling, square timber or lumber, grain, flour, or other staple industry or manufacture of the district, the policy of the Company has been based upon this principle: "Show us traffic, and we

will give you every facility we can command." Thus it has happened that our sidings, which intrude themselves into every establishment over the whole 170 miles of railway, have increased from 8 to 37 miles at the present time. The Company has endeavoured to cheapen transportation and to increase profits to all its customers by providing them with the best facilities. You, gentlemen, must not expect that I shall invite you to curtail expenditures of that kind, or to hope that they will altogether cease; but I say with the utmost confidence that with regard to the permanent way, the rolling stock equipment—whether in cars or locomotives, the elevators, the station accommodation, and all that is necessary to carry on the work of the line, they are in unexceptionable condition, and that there is at presest such a liberal supply of all the necessaries of a railway as will enable us in future years to earn with the present property a much larger gross revenue than we have ever before achieved. I have not been long absent from Gravenhurst, but when I visited it on Friday I found new establishments, new mills, hurrying into operation, reminding me that in our newly acquired territory we are only on the threshold of developemnt.

A Stockholder: And gold.

Col. Cumberland: Yes, and gold. I need not refer to the question of the amalgamation of the Extension lines, because you are thoroughly familiar with it. Nor need I say a word, as I had intended, with respect to the new Act, further than to endorse what has been said by the president. I think it is an excellent financial achievement, and we should be grateful to those—our friends in England—from whom it emanated. The Act of 1875, which received the sanction of this corporation, has been in so far amended as, by greatly improving the value of the security, to greatly cheapen the price we shall pay for money, whilst it will reduce the interest charges in the front of our ordinary stock by the very important sum of £10,000 per annum. In fact, it is a piece of skilful financial legislation, which, if carried out—as I have no doubt it will be—will strengthen the whole undertaking to the advantage of every interest connected with it. Circumstances being favourable, there is no reason why we should not make an early issue of this new security. It stands in the front rank of this splendid property; it is an undeniably safe investment; it takes position with our first preference bonds, which, I am happy to say, have ranked for some years on the margin of par, and which would be higher but for their early maturity. The Act gives us cheaper money than we have ever yet obtained—and when we shall have availed of its powers and thus have reduced the temporary pressure of our floating debt, on which we are now paying not exorbitant, not unfair, but very considerable interest

charges, the Company will attain a financial strength which even in its prosperous progress it has never yet reached. For myself, I feel, as the President has himself declared, a sense of wonderful relief at getting quit of the Government lien. It enables us to act without let or hindrance, or the suspicion that we are doing something mysterious with somebody's property other than our own, and it will strengthen and encourage you by knowing, as you will now know, that the better, the cheaper, the closer and keener your administration, the more certain of increasing profits accruing to yourselves. We are now for the first time an independent corporation. This happy release from political connection will, as I believe, open out a new history for this Company; and, speaking in the presence of rivals who are in some degree represented here today, I say that with the strength and independence we now possess, and with the financial and physical condition we have now attained, we are ready for all comers, because in addition to our ability to work cheaply for the public and ourselves, we have the grand attraction of the great commercial metropolis of Ontario as our terminus, inviting an ever-increasing trade and influence in our direction. Under these circumstances, I do not look forward to competition with any doubts or misgivings whatever. The world was not made for selfish occupancy; those who venture to intrude upon us must take their chances. We, I hope, will continue to have regard to the interests of capital, and especially of foreign and borrowed capital. A healthy competition is not a bad thing—living in a progressive country we must expect and are thoroughly prepared for it. My own feeling is, however, that in many cases in Ontario it has been prematurely fostered—that unwise and unfair assistance has been given to unnecessary lines in "the front" whilst the "back country" has been neglected—that vested interests have been unduly assaulted and the attraction for the investment of foreign capital commensurately weakened. All this however affects us in a far less degree than others, and depend upon it, there is no railway in the country which will be able to maintain itself with a larger measure of success than this; for we possess a system so complete, with its arms outspread into fruitful districts so entirely beyond the field of competition, with settled connections and undisputed occupancy, as to be quite outside the reach of practical invasion. Reviewing the long period during which I have been charged with the administration of your affairs, I think I can truly say that I have never yet misled you by false prophecies; and, remembering this, I all the more appreciate the responsibility of telling you, as I tell you now, that, great and unchecked as our progress has been, there is more for you in the future than has ever been achieved in the past.

I cannot close my observations without referring to the valuable

services rendered by Mr. Kingsford in connection with the passage of our recent Act. As a special representative of English interests we have been indebted to him for the most cordial, generous and judicious assistance in carrying that measure, as well as for acceptable counsel and support in regard to the affairs of the Company generally. His presence amongst us to-day will, I am sure, be very beneficial. He has been over the whole line, and has thoroughly acquainted himself with the condition and prospects of the concern—and I cannot doubt that the information he has gathered and his complete knowledge of our affairs, will be very useful to us and to our constituents in England, and have the effect of strengthening the ties of mutual interest and confidence so desirable in the future conduct of affairs.

I am sure you will bear with me for a moment, gentlemen, whilst, before resuming my seat, I refer to the loss this Company has sustained in the death of its late standing counsel, the Hon. J. Hillyard Cameron; a wise, faithful and devoted counsellor and guide throughout, I believe, the whole period of our existence as a Company, he was not only successful as our advocate, but was earnest as our friend and ally, and I should feel that I had failed in duty and gratitude had I omitted to-day to say, when his chair is vacant, how deeply I lament his loss as an officer of the Company and as a most valued personal friend.

Mr. Walter B. Kingsford: Mr. President and Gentlemen, as the representative of the English bondholders of the Northern Railway, I am very glad to be present here to-day, and to have the pleasure of meeting the Canadian Board of Directors and other gentlemen interested in the Company on the Canadian side. I feel that after the able and exhaustive speeches of the President and the General Manager, the whole field of the report has been fully traversed, and there is no new ground, or very little, which it is possible for me to break up. I am rejoiced nevertheless to have the opportunity of endorsing, as I do most cordially, the expressions of satisfaction which have fallen from the President and the General Manager with reference to the report which has been laid before us. It appears to me that the report in every point of view is highly satisfactory, and that it thoroughly deserves our unanimous adoption. Increased traffic receipts combined with decreased working expenses, resulting in a rise in the annual net revenue of over $50,000, surely must afford matter for cordial congratulation, especially occurring as it does in a time of general depression, which has affected, and still to some extent affects, every branch of trade and industry in the Dominion. That matter is one which hardly needs comment, and may well be left to speak for itself. I propose therefore to pass that by, both upon that account, and also because I desire to say a few words upon other portions of the

report upon which it is more especially my province to speak. You know, gentlemen, as well as I do, the circumstances under which the Act of last session was sought for and obtained. The Canadian Board and the London Board, acting in due concert and upon mature reflection, considered that in certain points the Act of 1875 might with advantage be modified. It was clearly probable that the capital required by the Company would be obtained more readily and cheaply upon a security of the very first rank, than upon one which, like the preference stock under the Act of 1875, stood only third or fourth in order. It was under these circumstances that legislation was applied for. The new enactment is set out in the report which has been read to us, and most of its provisions have been fully dealt with. But there are one or two points in that enactment to which I wish to ask your attention. In the first place, a clause has been inserted providing that in future the private shareholders of the Company shall elect from themselves a special representative of the share capital. When that proposal was first laid before us, I felt it to be my duty, as representing the bondholders, strongly to oppose it. I should be sorry that my reasons for doing so should be misunderstood. I wish it to be clearly known that the bondholders were far indeed from wishing that the shareholders should not have that form of representation which to themselves seemed most satisfactory and most desirable. It was not at all upon that account that they entered a protest against the clause proposed. It was not a factious opposition. It was based upon two simple grounds. The bondholders considered, in the first place, that it was no very long time ago since the relations between the bonds and the stock were deliberately adjusted, and it seemed to them that under existing circumstances there was no good and sufficient reason why that adjustment should be upset. They were also afraid—but I hope it will not be imagined for a moment that they fancied such an idea or such an intention to exist in the mind of any one shareholder of the Company—that the introduction of such a clause into the proposed Bill might give rise out of doors to an impression, alike erroneous and injurious, that the Canadian Board of the Company was in future to be divided into two hostile camps; that somehow or other the interests of the bondholders and of the shareholders had come to be in conflict, instead of being, as they are and always must be, though separate, yet in effect one and the same. But, gentlemen, it was urged upon the bondholders that this change was earnestly desired by the shareholders in their own best interests, and to wishes thus strongly expressed it was felt by my colleagues and myself that we had no alternative but to yield. Gentlemen, the issue that is authorized under the Act just passed is somewhat large; it is rather larger, I believe, than was originally contemplated, but it does not seem to me to be large

in regard to the very important objects which it is intended to accomplish. To yourselves, gentlemen, at all events, the mere amount of the issue is a matter of trifling consequence, in view of the all-important circumstance stated in the report, and already adverted to, that under the new Act, as compared with that of 1875, the shareholders are relieved from a pressure of interest charges to the amount of over £10,000 a year. It does appear to me that, under these circumstances, the shareholders at all events can have no just cause of complaint, but that they ought rather to congratulate themselves on the much improved condition of their affairs. I do not wish to magnify or dilate upon the magnanimity, whether real or supposed, of the gentlemen whom I have the honour to represent, but I think it fair to them to say that under the present Act they have voluntarily shifted a heavy burden from the shoulders of the shareholders to their own, and that if anybody can be injured under that enactment it is the bondholders themselves. Gentlemen, there is a third point which I would gladly pass over, but which I am obliged briefly to refer to. In connection with the commission of last year and the committee of the present year a further claim on the part of the Government has been brought against the Company to the amount of $27,000. I will frankly admit that for my own part, I do not understand out of what items that sum total is composed. Let it suffice, however, that that sum has been declared due to the Government by the finding of the Government itself, and it is upon that footing that the payment of it is now recommended to you. Gentlemen, I am happy to say that to the Northern Railway Company the sum of $27,000 is not a very important matter. It is not a very big sum, and the payment of it will sever the last link of the old connection so long existing between the Government and the Company. Gentlemen, I do not know how the matter may present itself to your minds, but that is a point upon which I am myself inclined to dwell with especial pleasure. I hope and I think that from the passing of the Act of 1877 we shall date a new point of departure, and a most happy one, in the history of the affairs of this Company. You remember, gentlemen, Dr. Johnson's illustration of the propriety of keeping everything in its right place. "Sir," said the great Doctor, with his usual solemnity, "a cow is an excellent thing in a field, but we drive it out of our gardens." Gentlemen, politics are an excellent thing in their own field, but we, as a trading corporation, may well be pardoned for wishing to be free from them altogether. I hope and believe that from this day forth the Northern Railway will bid a long farewell to political life. If the experience of the past serve only to teach us the wise lesson of forswearing politics for ever, that experience will have been cheaply bought. Gentlemen, you know the war cry of the Home Rulers, "Ireland for the Irish." In future let us

take for our peaceful watchword, "Commercial principles for commercial companies." I sincerely trust that in our counsels for all time to come the very word "politics" will be tabooed; that however parties may change, whichever side may be called to the helm of Government, however fiercely the storm of political warfare may rage about us, the Board-room of the Northern will be a quiet retreat in which the voice of party strife will be hushed,—a happy bower where Toryism and Reform may meet together, Conservative and Grit may kiss each other. (Laughter.) Gentlemen, I have had the pleasure lately of going, under the genial escort of the General Manager, over our line of railway. Gentlemen of influence in England, who are interested in the line, and have seen it for themselves, prepared me before I left home to be delighted with what I saw; but I must honestly confess that what I did see very far exceeded my highest expectations. In going over the line, when I noticed the solid and well-laid track, the fine equipment, the neat stations—perfect models of picturesque simplicity—the thriving towns dotted here and there along the line, the signs everywhere apparent of thorough organization and good discipline among the staff, and the indications, even in spite of the generally prevalent depression, of renewed activity and life in the trade and industry of the districts through which we passed, the thought that occurred to me was this—and you must put it down to the conceit of the true-born Britisher—that the Northern line was for all the world like a flourishing and well-ordered English line; and that is the highest form of compliment that an Englishman can pay to it. (Applause.) Gentlemen, the fine condition of our property is creditable to our administration, and must be highly gratifying to ourselves. But that is not all. The credit and benefit of such a line, are not confined to ourselves. They must extend and be reflected over the whole of the Dominion. I suppose that what this great country mainly needs to develop its vast resources is a constant influx of men and money. I can think of few things more likely to allure both of them into the Dominion, and to allure them by perfectly legitimate attractions, than such a line as ours. We carry no inconsiderable passenger traffic, and I am sure that other travellers passing over the line, and through the country which it traverses, would think as I did, that Canada must be a good country to settle in and a good country to invest money in. And this appearance of prosperity is no sham—no hollow pretence. Our report proves conclusively that we have the substance and not the mere shadow of prosperity. Gentlemen, you must know infinitely better than I do what the Northern Railway has done to promote local interests. Some of you doubtless have seen for yourselves what it has contributed to the rapid growth and material prosperity of this fine City. You are far better able than I can pre-

tend to be, to foresee what incalculable good the railway may yet do in the same direction in time to come. Let me assure you, gentlemen, if such an assurance is needed, that your English partners are ready and desirous to work with you heart and soul in all that can conduce to the due maintenance and development of the common property. I just now spoke of myself as being the representative of the bondholders; I think I may in some sense claim to be the representative of the shareholders as well. The interests of the bondholders and shareholders may be separate; it is impossible they can ever be opposed. For all who have at heart the permanent prosperity of the Company (and that I know and feel is the spirit which actuates both bondholders and shareholders alike)—for all who have at heart the lasting well-being of the Company, there can be but one true course of policy: to spare no effort and to grudge no fair expenditure to maintain and enhance the value of the property by keeping up the line as a going concern in the highest possible state of efficiency. Under a wise, vigorous, and above all a perfectly harmonious administration, coupled with that revival of trade and industry which surely cannot now be much longer delayed, there must be bright and golden days in store. Gentlemen, the Government lien at all events is discharged. Pardon me if I venture to remind you that it is to the action of the bondholders that this happy event is due. The lien has been like a millstone hung about our necks. That incubus removed, we all breathe freely. I look forward hopefully to a future not very remote, when not merely will the bondholders continue to receive their interest, but the shareholders will receive a good dividend. To no one, gentlemen, believe me, would such an event be more welcome and more gratifying than to the bondholders themselves, for one very good reason if for no other, viz., that the value of their own holding would be thereby proportionately increased. I can hardly fancy any better method of raising the market value of the bonds than that of putting heart and life into the shares. But, gentlemen, if those days are to come at all, they can only come by firm and united action, by "the strong pull and the pull all together," which in every joint enterprise is the thing that tells. Gentlemen, I hope, or rather I feel assured, that the bright and happy future will be foreshadowed by our perfect unanimity to-day. To my trusty colleagues who have fought the hard fight of the recent session, to him especially who was set in the forefront of the battle,—if indeed that can be called a battle,—*Ubi tu pulsas ego vapulo tantum*,—to him especially, to whose generous and forbearing conduct in the field I desire to bear willing and most grateful testimony, it would be cheering to feel that whatever storms may assail them from without, they are sure of sympathy and peace at home. And to those whom I have the honour to represent, as well as to

myself, their humble representative, it would be gratifying indeed should I be enabled to carry home to them a renewed assurance that in all measures affecting the well-being of the Company, they may ever look with confidence to their Canadian partners for loyal and hearty co-operation; and that, especially at this important crisis in our affairs, and in all that relates to recent legislation, the course which they have thought it proper to pursue is upheld by every one of you with the fullest approbation and the most staunch support. (Loud applause.)

Col. DENISON: I had no intention of saying one word to-day, but after the very admirable speech of our friend from England, I, as a Canadian, think it only my duty to thank him for speaking in such a favourable manner of Canada. I had always been under the impression that some of our English friends had great cause to complain with regard to the money they had invested in Canadian railways; but it appears that our bondholders in England are perfectly satisfied. It must be gratifying to all Canadians to hear such remarks as have been made by Mr. Kingsford, because we are just beginning to look up in the world. I am called one of the pioneers of the country, and you may depend upon it that I feel glad when I hear his remarks, not only in regard to the value of Northern Railway investments, but in relation to the country he passed through and the appearance of the line. With regard to the introduction of politics into a commercial undertaking of this kind, I have kept my eye on the matter. We will, however, drop them in future; but I am an old Tory, as everybody knows. There is one point on which I wish to speak. It has been necessary to expend various sums of money on political matters, elections and legislation, in order to keep the road going and the property valuable. All these charges have been taken from the proprietors of the road in this country, I believe; not a shilling has been contributed to that expenditure by the English bondholders. That expenditure, I think, should have been borne by our friends in England as well as by ourselves. It should be remembered that we in Canada have never, as yet, realised a cent on our stock,—the Governmnet lien has stood in our way,—but it is necessary that we should maintain our credit with the English bondholders; and I would rather lose every shilling I have in the road than that those gentlemen in England who have taken up our bonds should lose one farthing. I have blushed when I have heard Mr. Potter speak of the Grand Trunk and Great Western securities, and describe how poor widows, orphans and even old bachelors took up these bonds and received nothing in return. I have much pleasure in supporting the report which has been read, and which is a very excellent and gratifying one.

Mr. C. J. CAMPBELL: Mr. President and Gentlemen, I desire

to say a word with respect to a remark that fell from Mr. Kingsford when alluding to the action taken by the private shareholders. As representing the private shareholders, I felt the time had arrived when they should have direct representation on the Board, and I determined to accomplish that object if I could. We went to Ottawa with the intention of having two representatives on the Board, but we found we could not carry the object we had in view, and we gladly accepted one. I think the reasons given by Mr. Kingsford for objecting on the part of the bondholders to the proposal are not quite sound. I do not think it could be supposed that a director thus elected by the private shareholders would act differently from what he would have done if elected as heretofere. The principle the shareholders adopted was this : they thought if the municipalities enjoyed direct representation and each sent a representative to the Board, the private shareholders should be placed in the same position. I think that was the correct ground to take. I am sure there is no desire on the part of the shareholders to act otherwise than in perfect harmony with the bondholders, for their interests are identical. I quite agree with the remark made by Mr. Kingsford, that in promoting the interests of the shareholders the interests of the bondholders are also promoted. There is no sounder view to take with regard to the position of the stock than that the declaration of a good dividend on the shares would advance the interests of the bondholders, and I very little doubt—now that we are free of the Government lien, and judging from the report,—that the time is not far distant when a good dividend will be paid.

The President : Gentlemen, before submitting the motion, I desire to allude to the announcement made by Mr. Elliot, who had a seat on the Board long before I had the honour of the position I now occupy. I can only express to him our regret that he has seen fit to separate himself from us. He has told the General Manager repeatedly that whenever his place could be filled with advantage to the Company, he was anxious to resign his position. Now that he has taken that course, I desire to express, on behalf of the Directors with whom he has acted, their great regret at the separation ; and although his official connection be severed, I believe Mr. Elliot will continue to take that sincere interest in the undertaking which he has always manifested while associated with us. I am sure you will sympathize with me in the pleasure with which I regard the presence of Mr. Kingsford here to-day, and the satisfaction I feel at the remarks he has just made. I think his presence with us this morning, as well as his counsels with us during the recent difficult negotiations at Ottawa, his inspection of the line, and his personal knowledge of this cordial and unanimous meeting, will do us great good. I assure Mr. Kingsford, and I

hope he will take an opportunity when he meets his friends to convey to them the assurance, that the affairs of the Company have been, so far as I am aware, conducted on thoroughly commercial principles. The superior oversight of the Company's affairs has recently devolved upon me to a greater extent in consequence of the absence of the General Manager, and I can tell the proprietors that the affairs of this Company are managed just in the same way as I should manage my own business—on strictly commercial principles. Every account that is paid passes from the hands of the heads of departments, through the authority of the General Manager and under my own personal supervision; all accounts are regularly reported to the Board, and there is a regular inspection and audit. Therefore, whatever allusions may have been made to political connections, now happily at an end, I can assure Mr. Kingsford that the affairs of this Company are conducted on thoroughly commercial principles, and so long, at any rate, as I am connected with it, they will continue to be so conducted.

The motion for the adoption of the report was then unanimously carried; as were motions relating to the appointment of auditors, and to the death of the late Secretary. [See Minutes.]

Mr. C. J. Campbell: I think this meeting should pass a resolution expressing the gratification afforded by the presence of Mr. Kingsford among us, as representing the English bondholders, and thanking him for his excellent services and for the acceptable remarks he has addressed to this meeting. I therefore beg to move, seconded by Mr. D. Morrow, "That the cordial thanks of this meeting be presented to Mr. Kingsford for his presence to-day, and for the highly acceptable observations he has made on the affairs of this Company; and the meeting desires to record its sense of the valuable services rendered to the Company by him in connection with the Act obtained at the recent session of the Dominion Parliament." Carried unanimously.

Mr. Kingsford: Mr. President, and Gentlemen, I do not intend to be so unmerciful as to inflict a second long speech upon you. I am deeply grateful, believe me, for the very kindly welcome you have given me. In my own name, and in the name of those I represent, I thank you much for your cordial reception, and for the flattering terms in which my humble services are referred to in the resolution which you have been good enough to pass.

Mr. D. Morrow: Mr. President, no reference is made in the report to the proposed change of gauge. Is it the intention of the Company to undertake that?

The President: I suppose that will follow, in the shape of a desirable if not an absolutely necessary improvement, whenever we

can undertake it; but it must remain for future consideration. We cannot deal with it at present.

MR. MORROW: As the representatives of the city of Toronto and the county of Simcoe are present, I wish to say that I think the time has come when those two bodies should relinquish the stock held by those corporations, and for which they have already received value tenfold. I hope Toronto and Simcoe will take steps in this matter. The majority of the deputy-reeves in the county of Simcoe are, I believe, favourable to it, for they see that it is in the true interests of those communities to give perfect freedom to the concern which, more than everything else, has built them up to what they are, and which, if free, can do as much for them in the future as the past.

ALDERMAN BLEVINS: As the representative for the city of Toronto, I am scarcely prepared to say what course the Council might be disposed to take in this matter, which has not yet been under its consideration. The question seems scarcely ripe for discussion just yet, but if it is thought desirable I will bring it before the City Council and promote such action as may seem to be in the mutual interest of the city and of the Company, between whom I shall always endeavour to promote complete harmony.

MR. C. J. CAMPBELL asked if the Hon. J. B. Robinson would be willing to accept the position of representative of the private shareholders on the Board of Directors?

HON. J. B. ROBINSON: I am very glad to think that the stockholders, now they have the separate power to elect a member of the Board of Directors, that they should desire to make me their representative. After having served the Road for so many years, during which the Company has been continuously prosperous, it is a great compliment that the stockholders, having it in their power to pursue an independent course, should desire to elect me as their representative. While thanking the stockholders for the favour intended, I will ask them to extend one more favour towards me, and that is to allow me to refuse the nomination. I have served the Company for many years, but cannot again, at all events for the present, consistently with my other occupations and pursuits, give to it that attention which a seat on the Board will now demand. I foresee that for the next few years this office will demand more time than I can conveniently afford to give to it. I will suggest, therefore, if permitted to do so, to the shareholders, that they elect Mr. Campbell as their representative. On retiring, I offer the best wishes for the road that any one can desire, and that is, that its prosperity in the future may equal its good fortune in the past. The London *Railway Journal*, which is the most prominent journal in the old country

touching railroad matters, in speaking of the Northern Railway a month ago, said it is the most successful road in its management in Canada—a high compliment from an independent source. In looking back over its prosperous career in the past, I am glad to think that I took some share in that successful management.

The meeting then adjourned for the purposes of the election, and having resumed at 3.30 P.M., the report of the scrutineers was received, announcing the election of Directors for the ensuing year [see Minutes]; and after a vote of thanks to the President, Directors and Officers for their services during the past year [see Minutes], the meeting adjourned.