Joseph Metcalf Esq
with W Price's comp

No. 31.

Great Western Railway of Canada.

REPORT

OF

THE DIRECTORS

OF THE

Great Western Railway of Canada,

FOR THE

HALF-YEAR ENDING 31ST JULY, 1869;

WITH

STATEMENTS OF ACCOUNTS,

&c., &c., &c.;

To be submitted to a Meeting of Shareholders to be held in London on Wednesday, 27th October, 1869.

LONDON:
WATERLOW AND SONS, PRINTERS, CARPENTERS' HALL, LONDON WALL.

1869.

GREAT WESTERN RAILWAY OF CANADA.—NOTICE IS HEREBY GIVEN, that the HALF-YEARLY MEETING of Shareholders is appointed to be held on WEDNESDAY, 27th October, 1869, at the London Tavern, Bishopsgate Street, London, England, at Twelve o'clock Noon precisely, for the purpose of submitting a Report and General Statement of Accounts for the half-year ending 31st July last, for the purpose of electing Eleven Directors and Two Auditors, and for the transaction of other business.

And Notice is further given, that the Books kept at this office for the Registration of Shares and Preference Stock will be closed on and from October 13th, to the day of meeting, both days inclusive, and transfers cannot be received between those dates—By order,

BRACKSTONE BAKER, Secretary.

126, Gresham House, Old Broad Street, London, E.C., 4th August, 1869.

N.B.—CERTIFICATES OF PREFERENCE STOCK ARE NOW READY TO BE EXCHANGED FOR THE BANKERS' RECEIPTS.

Great Western Railway of Canada.

LIST OF THE DIRECTORS.

1868-1869.

President.

Mr. Alderman Dakin, Creechurch Lane, London.

Thomas Faulconer, Esq., 12, Copthall Court, London.
John Fildes, Esq., Manchester.
Francis Somerville Head, Esq., 24, Manchester Square, London.
Alexander Hoyes, Esq., Bitterne Grove, Southampton.
Charles Hunt, Esq., London, Ontario, Canada.
Donald MacInnes, Esq., Hamilton, Ontario, Canada.
Honble. William McMaster, Senator, Toronto, Ontario, Canada.
Paul Margetson, Esq., Clapham Common.
George Smith, Esq., 57, Conduit Street, London.
Honble. John Carling, M.P., London, Ontario, Canada.

Auditors.

John Young, Esq., 16, Tokenhouse Yard, London.
Sidney Smith, Esq., 31, Bush Lane, London.

General Manager.

Thomas Swinyard, Esq., Hamilton, Ontario, Canada.

Treasurer.

Joseph Price, Esq., Hamilton, Ontario, Canada.

London Offices.

126, Gresham House, Old Broad Street, E.C.

Mr. Brackstone Baker, *Secretary.*
Mr. Walter Lindley, *Registrar.*

Bankers in London.—London Joint Stock Bank.
„ *in Canada.*—The Canadian Bank of Commerce.

THE GREAT WESTERN

ACCOUNT

Capital Account, showing the Receipts and Expenditure of

RECEIPTS.

		Total Receipts to 31st July, 1869. Sterling. £ s. d.
TO SHARE ACCOUNT—		
For 169,700 Shares:—		
167,880 shares on English Register, at £20. 10s. sterling per share		3,441,540 0 0
1,820 shares on Canadian Register at $100 per share, converted at 109½ per cent. exchange		37,397 5 2
		3,478,937 5 2
Less amount of arrears on calls		1,347 11 11
Total amount received on account of share capital to 31st July, 1869		3,477,589 13 3
TO 5 PER CENT. PREFERENCE STOCK—		
For amount of 1st instalment on £1,018,200 Five per cent. Preference Stock	£254,550 0 0	
For amount received in anticipation of future instalments	8,023 4 0	262,573 4 0
TO PERPETUAL 5 PER CENT. DEBENTURE STOCK—		
For amount received on this account		46,700 0 0
TO BOND ACCOUNT—		
Bonds bearing 6 per cent. interest due 1873	£488,200 0 0	
,, ,, ,, 1876	127,000 0 0	
Bonds bearing 5½ per cent. ,, ,, 1877	485,000 0 0	
,, ,, ,, 1878	62,000 0 0	
Bonds bearing 5 per cent. ,, ,, 1881	1,000 0 0	1,163,200 0 0
TO GOVERNMENT LOAN—Balance		568,815 7 0
		£5,518,878 4 3

TOTAL RECEIPTS on CAPITAL ACCOUNT during the Half-year—

Receipts from calls in arrears paid up	£350 0 0
,, ,, 5 per cent. Preference Stock—first instalment	254,550 0 0
,, ,, ,, ,, paid in anticipation of future instalments	8,023 4 0
	£262,923 4 0
Less—Proportion of Government Loan paid off 10th February, 1869	4,872 7 11
	£258,050 16 1

RAILWAY COMPANY OF CANADA.

No. 1.

the Company on Capital Account to 31st July, 1869.

EXPENDITURE.

				Total Expenditure to 31st July, 1869. Sterling. £	s.	d.
By Total Amount expended on Capital Account to 31st January, 1869, as per last Report				5,138,102	18	6
Expended during the six months ended 31st July, 1869.						
By Great Western Main Line, Hamilton and Toronto Line, and Galt Branch, &c.						
Land, Works, Permanent Way, and all incidental charges	£2,190	3	7			
Stations, Warehouses and Wharves	194	13	5			
Rolling Stock, Cars	2,105	9	9			
				4,490	6	9
Total				5,142,593	5	3
By Detroit and Milwaukee Railroad Company				250,000	0	0
(The securities now held for this sum amount to $2,095,000.)						
				£5,392,593	5	3
Balance carried to Account No. 4				126,284	19	0
				£5,518,878	4	3

THE GREAT WESTERN

ACCOUNT

Revenue Account for the

Half-year ended 31st July, 1868. Sterling. £ s. d.	RECEIPTS	Half-year ended 31st July, 1869. Sterling. £ s. d.
140,377 0 11	To Amount for the carriage of 342,194¼ Passengers	145,817 16 8
14,704 16 7	Ditto ditto Mails and Sundries	12,112 12 3
200,619 4 3	Ditto ditto Freight and Live Stock	226,200 2 1
355,701 1 9		384,130 11 0
948 2 3	Ditto Rents	937 5 9
	NOTE.—The Traffic Receipts above stated are exclusive of those of the Galt and Guelph Railway, and Erie and Niagara Railway.	
£356,649 4 0		£385,067 16 9

ACCOUNT

Dr. *Net Revenue Account to*

Half-year ended 31st July, 1868. Sterling. £ s. d.		Half-year ended 31st July, 1869. Sterling. £ s. d.
2,725 6 5	To Balance of Net Revenue brought forward from half-year ended 31st January, 1869	2,577 17 1
148,187 9 9	To Balance from Revenue (No. 2) Account for the half-year to date...	152,300 3 7
	To Galt and Guelph Railway, profit on half-year's Working, per Account G	40 10 5
	To Amount of Dividend for half-year to 30th June, 1869, on $2,095,000 Detroit and Milwaukee Preference Shares held by this Company,... ... ... 10,602 11 0	
	Deduct proportion written off to the credit of "Detroit and Milwaukee Interest Account not received" per balance-sheet 2,650 12 9	
		7,951 18 3
£150,912 16 2		£162,870 9 4
	To Balance brought down	£57,718 4 4
		£57,718 4

46,067 60
1,510 167 5
44556 9 7

RAILWAY COMPANY OF CANADA.

No. 2.

Half-year ended 31*st July*, 1869.

Half-year ended 31st July, 1868. Sterling. £ s. d.	Per Cent. on Gross Receipts.	EXPENDITURE.	Half-year ended 31st July, 1869. Sterling. £ s. d.	Per Cent. on Gross Receipts.
51,028 8 4	14·31	By Maintenance and Renewal of Way .. per Abstract A	58,602 13 11	15·22
53,018 9 0	14·87	Locomotive Power .. .. do. B	55,667 8 3	14·46
24,115 13 10	6·76	Repairs and Renewals of Passenger & Goods Cars do. C	30,654 19 7	7·96
27,833 0 4	7·81	Coaching Transit Expenses .. .. do. D	31,835 9 5	8·27
35,818 3 2	10·04	Merchandise Transit Expenses .. .. do. E	38,062 2 1	9·89
8,526 11 8	2·39	General Charges.. .. .. do. F	9,684 5 10	2·51
200,340 6 4	56·18	Total ORDINARY WORKING EXPENSES	224,506 19 1	58·31
		ITEMS NOT BELONGING TO ORDINARY WORKING EXPENSES.		
1,833 10 11	0·51	By Taxes	1,726 0 7	0·45
177 14 10	0·05	Railway Inspection Fund	177 14 10	0·04
1,258 7 10	0·35	Insurance..	1,652 4 6	0·43
178 15 4	0·05	Clerks' Security Account	81 8 5	0·02
4,672 19 0	1·31	Suspension Bridge Rent, for half-year	4,623 5 9	1·20
208,461 14 3	58·45	Total Revenue Expenditure	232,767 13 2	60·45
148,187 9 9		Balance carried to Net Revenue No. 3 Account	152,300 3 7	
£356,649 4 0			£385,067 16 9	

No. 3.

31*st July*, 1869. Cr.

Half-year ended 1st July, 1868. Sterling. £ s. d.		Half-year ended 31st July, 1869. Sterling. £ s. d.
17,498 5 0	By half-year's Interest on the Balance of the Government Loan to 1st July, 1869	11,814 13 3
34,691 0 0	By Interest on Bonds	34,691 0 0
81 0 4	By Balance of Interest Account	365 13 5
54,748 12 6	By Discount and Charges on the conversion of American Currency, and Exchange on Remittances to England	53,781 15 0
529 3 4	By Erie and Niagara Railway—Loss on Working	924 3 4
476 6 10	By Galt and Guelph Railway ditto	...
4,109 11 9	By Detroit Fire Claims—Proportion charged against this half-year	...
2,000 0 0	By Amount set aside for Renewal of the Ferry Steamer	2,000 0 0
...	By Special Vote to Directers...	1,575 0 0
36,778 16 6	By Balance carried down	57,718 4 4
£150,912 16 2		£162,870 9 4
	By Dividend on 1st instalment of 5 per cent. Preference Stock ...	2,608 2 8
	By proposed Dividend on Ordinary Shares at the rate of 3 per cent. per annum, free of income tax	53,259 9 8
	By Surplus carried to next half-year	1,850 12 0
		£57,718 4 4

GREAT WESTERN RAILWAY

ACCOUNT

Dr. *General Balance Sheet*

			Sterling. £ s. d.
To Amount Outstanding and due to the Company on Traffic Account			32,029 8 7
,, Mechanical Stores on hand 31st July, 1869 :—			
General Stores	£37,007 5 1		
Fuel Stores	53,640 2 10		
Old Material...	1,711 11 1		
			92,358 19 0
,, Engineering Stores on hand 31st July, 1869 :—			
General Stores...	£19,799 15 7		
Rail Stock Account	23,762 15 11		
Rolling Mill Stock	8,588 5 5		
			52,150 17 2
,, Municipal Bonds			9,945 4 1
,, Balances in Bankers' hands, Loans, &c.			95,879 15 6
,, Balance of Interest due to 31st July, 1869, on Loan to Detroit and Milwaukee Railroad Company, not received per last report	£9,595 12 0		
Less proportion of Dividend for half-year to 30th June, 1869, on Detroit and Milwaukee Preference Shares placed to credit of this account	2,650 12 9		
			6,944 19 3
,, Port Huron and Milwaukee Railroad Company			8,219 3 7
,, Sundry Assets and Debit Balances			37,136 2 10
			£334,664 10 0

AUDITORS' REPORT.

TO THE SHAREHOLDERS OF THE GREAT WESTERN RAILWAY OF CANADA.

We have examined the foregoing Accounts and find them stated in accordance with the books and vouchers.

The receipts on Capital Account during the half-year are almost entirely in respect of the 5 per cent. Preference Stock. The sum of £254,550 being the first instalment of 25 per cent. on the issue of £1,018,200, includes the discount of 20 per cent., and commission paid to Brokers, amounting together to £54,201 17s. 3d. which amount is deducted from the "Remission of Government Interest" as shewn in the Balance Sheet.

The expenditure on Capital Account during the half-year (less £124. 1s. 2d. received from the sale of surplus lands) amounts to £4,490 6s. 9d. the details of which appear in the reports of the Engineer and the Mechanical Superintendent.

On reference to the Revenue Account it will be observed that the ordinary working expenses during the past half-year amount to £224,506. 19s. 1d. as against £200,340. 6s. 4d. for the corresponding half-year, being an increase of 2 per cent. on the gross receipts of the respective periods. This increase does not arise under any particular head, but is spread over the various items of expenditure, and the causes which have given rise to it, are explained in the respective reports of the Engineer and the Mechanical Superintendent, so far as relates to their departments; the present low freight-rates also materially affect the ratio of expenses to receipts.

The special reports to which we alluded in our last two half-yearly reports, have lately been received from the Engineer and Mechanical Superintendent, in which they have treated, very ably and elaborately, the subject of the condition and future renewals of the Permanent Way and Rolling Stock; but as further communication with Canada, in elucidation of these reports is necessary before we can deal with them satisfactorily, we defer until next half-year making any observations upon them.

The increase in the "Coaching Transit Expenses" will be observed is due to the amount of compensation paid for damages arising from an accident to one of the Sleeping cars. The increase in "Merchandise Traffic Expenses" is caused by the rise in the wages of Conductors and Porters, and by the additional expenses attending the working of the increased traffic of the Blue Line.

The General Charges for the half-year include £1,050 for extra remuneration to

COMPANY OF CANADA.

No. 4.

to 31st July, 1869. Cr.

			Sterling. £	s.	d.
By Balance from Capital Account No. 1			126,284	19	0
„ Balance from Net Revenue Account No. 3			57,718	4	4
„ Ferry Steamers Renewal Fund			12,560	13	10
„ Balances due by the Company, and sundry Accounts not paid on 31st July, 1869			40,502	10	6
„ Remission of Government Interest ...	£151,790	19 4			
Less Discount on First Instalment of Five per cent. Preference Stock and Commission on amount placed through Brokers...	54,201	17 0			
			97,598	2	4
			£334,664	10	0

Audited and approved subject to appended Report.

JOHN YOUNG, SIDNEY SMITH, } *Auditors.*

13th October, 1869.

some of the principal Officers of the Company, who assisted in carrying out the arrangement relating to the Government Loan.

The sum of £2,000 has been set aside this half-year, as in the corresponding period of last year, for the renewal of the Ferry Steamers. The balance now at the credit of that fund, with accrued interest, being £12,560. 13s. 10d.

The dividend for the half-year to 30th June last on the Detroit and Milwaukee Preference Shares held by this Company has been credited to Revenue Account, less one-fourth thereof, which has been written off the Detroit and Milwaukee old Interest Account, reducing the balance at the debit of the latter to £6,944. 19s. 3d. We think it right to mention that the dividend has not yet been received by this Company, as was the case last half-year, when a moiety of the amount was credited to Revenue, and the other moiety carried to the old Interest Account, but it is explained, that following the custom of American Railroads, the Acounts of the Detroit and Milwaukee are made up and adjusted annually, and not as in this country half-yearly.

The American funds on hand and receivable on account of Outstanding Traffic at the close of the half-year, unconverted, amounted to $218,635,41, being only $3,199,69 more than at the end of last half-year.

JOHN YOUNG SIDNEY SMITH } *Auditors.*

13*th October*, 1869.

Hamilton, Ontario, 30th August, 1869.

I hereby certify that the whole of the Company's permanent way, stations, buildings, and other works, have during the past half-year been maintained in good working condition and repair.

GEO. LOWE REID, *Engineer.*

Hamilton, Ontario, 19th August, 1869.

I hereby certify that the whole of the plant, including engines, tenders, cars, machinery, and tools: also, the ferry steamers, with their engines and boilers, have during the past half-year been maintained in good working order and repair.

W. A. ROBINSON, *Mechanical Superintendent.*

GREAT WESTERN RAILWAY OF CANADA.

Abstracts referred to in the Revenue Statement for the Half-year ended 31st July, 1869.

ABSTRACT A.

MAINTENANCE AND RENEWAL OF WAY.

Half-year ended 31st July, 1868. £ s. d.		Half-year ended 31st July, 1869. £ s. d.
5,910 12 8	Repairs and Renewal of Bridges and Culverts	2,983 8 3
3,274 15 6	" Station Sidings and Fences	3,389 16 8
4,525 11 9	" Buildings	1,778 7 5
644 0 11	" Signals	344 11 3
434 14 2	" Approaches	178 6 4
34,809 16 10	Platelayers' Wages, and Renewal of Way	49,048 3 9
874 13 6	Engineering Superintendence, &c.	880 0 3
554 3 0	Dredging in Detroit River	...
£51,028 8 4		£58,602 13 11

ABSTRACT B.

LOCOMOTIVE POWER.

Half-year ended 31st July, 1868. £ s. d.			Half-year ended 31st July, 1869. £ s. d.
	Transit Expenses:—		
9,307 5 11	Wages of Enginemen and Firemen		10,828 8 8
1,520 12 0	Wages of Cleaners		1,657 8 10
20,459 11 1	Fuel		19,877 3 10
971 14 7	Oil		183 6 11
338 19 10	Tallow		466 12 5
336 8 2	Small Stores, including Signal Lamps, Waste, &c.		431 10 5
1,021 5 6	Pumping Engines		959 2 9
57 17 0	Salaries of Foremen and Clerks		57 18 8
107 15 1	Salary of Locomotive Engineer		107 15 1
34,121 9 2			34,569 7 7
	Repairs and Renewal of Engines:—		
9,080 10 1	Material and Fuel	£8,979 16 10	
8,758 7 6	Wages	10,866 14 0	
			19,846 10 10
51,960 6 9			54,415 18 5
	Sundries:—		
60 8 5	Lighting Shops, &c.	£51 4 11	
170 4 7	Maintenance of Turntables	249 10 2	
827 9 3	Maintenance of Tanks and Pumps...	950 14 9	
			1,251 9 10
£53,018 9 0			£55,667 8 3

1s. 3·02d. Cost per Train mile run ... ... 1s. 1·88d.
0s. 10·58d. Cost per Traffic Engine mile ru ... 0s. 9·83d.

STATEMENT OF MILEAGE RUN BY ENGINES.

Miles run, 1st February to 31st July, 1868.		Miles run, 1st February to 31st July, 1869.
396,860	By Passenger Engines	389,202
450,419	By Freight Engines	573,294
847,279	Total Train miles earning Revenue...	962,496
355,634	By Piloting and Shunting Engines	396,034
1,202,913	Total Traffic Engine miles run	1,358,530

GREAT WESTERN RAILWAY OF CANADA.

ABSTRACT C.

REPAIRS AND RENEWAL OF CARS.

Half-year ended 31st July, 1868. £ s. d.		Half-year ended 31st July, 1869. £ s. d.
	Passenger Cars:—	
5,489 11 8	Materials } Including the cost of cleaning Cars ...	6,726 8 5
5,216 17 8	Wages }	5,131 13 6
62 9 11	Salaries of Superintendent, Foremen, and Clerks ...	62 11 2
10,768 19 3		11,920 13 1
	Merchandise Cars, &c.:—	
7,899 2 7	Materials £12,326 19 4	
5,322 11 11	Wages 6,282 4 9	
125 0 1	Salaries of Superintendent, Foremen, and Clerks 125 2 5	
		18,734 6 6
£24,115 13 10		£30,654 19 7

6·83d.	Cost of Train Mile run	7·64d.
0·55d.	Cost of Car Mile run	0·56d.

STATEMENT OF MILEAGE OF CARS.

Miles run, 1st February, to 31st July, 1868.		Miles run, 1st February, to 31st July, 1869.
1,487,040	Of 1st Class Cars	1,547,968
540,870	2nd Class Cars	605,265
1,052,402	Post Office Express, Baggage, and Conductors' Cars	1,205,361
7,403,059	Freight and Platform Cars	9,201,694
10,483,371	Total Car Mileage earning Revenue	13,160,288

ABSTRACT D.

COACHING TRANSIT EXPENSES.

Half-year ended 31st July, 1868. £ s. d.		Half-year ended 31st July, 1869. £ s. d.
4,772 3 6	Salaries of Superintendents, Station Masters, and Clerks	4,440 18 5
4,014 0 1	Wages of Conductors, Baggagemen, and Breaksmen	4,370 11 1
1,666 16 7	" Porters	1,714 5 6
616 0 1	" Policemen	601 12 6
953 10 6	" Switchmen	1,020 12 2
566 8 4	" Watchmen at Level Road Crossings	590 15 0
209 7 8	Clothing	317 8 1
1,848 16 3	Compensation for Damages	6,081 13 0
39 18 3	" Cattle killed on Track by Trains	64 8 0
72 3 11	Lamps and Signals	111 3 2
378 7 0	Lights (including Oil) for Stations and Passenger Cars	715 12 11
1,398 17 6	Fuel for Stations and Passenger Cars	1,084 4 8
1,144 15 7	Stationery, Advertising, and Printing	1,224 18 7
61 7 10	Office Furniture and Expenses	23 4 8
1,011 9 5	Small Stores, including Waste, Links and Pins, Baggage Trucks, &c. ...	1,109 0 7
217 10 10	Travelling and incidental expenses	626 12 6
4,423 14 6	Expenses of Advertising and Agency in United States	4,065 15 11
3,867 2 8	Proportion of Expenses of Ferry across the Detroit River	2,905 0 0
570 9 10	Proportion of Expenses of Telegraph	767 12 8
£27,833 0 4		£31,835 9 5
Equal to 17·94 per Cent. on Coaching Traffic Receipts.		Equal to 20·15 per Cent. on Coaching Traffic Receipts.

GREAT WESTERN RAILWAY OF CANADA.

ABSTRACT E.

MERCHANDISE TRANSIT EXPENSES.

Half-year ended 31st July, 1868. £ s. d.		Half-year ended 31st July, 1869. £ s. d.
4,619 0 3	Salaries of Superintendents, Freight Agents, and Clerks	4,503 12 11
4,192 17 2	Wages of Conductors and Breaksmen	5,228 17 3
7,877 12 10	" Porters	8,406 13 3
938 2 2	" Switchmen	1,010 8 4
718 19 10	" Watchmen at Level Road Crossings	892 12 8
2,844 7 6	Compensation for Damages	2,719 8 6
26 14 8	" Cattle killed on Track by Trains	27 4 6
904 7 10	Lights, Lamps, Fuel, and Signals	841 10 2
421 7 2	Stationery, Advertising and Printing	421 18 4
57 4 8	Office Furniture and Expenses	16 8 9
903 15 7	Small Stores, including Links and Pins, Warehouse Trucks, Running-boards, and Gangways	910 12 3
426 12 6	Rents	68 9 10
239 5 6	Travelling and Incidental Expenses	213 18 9
740 9 7	Proportion of expenses of Telegraph	1,106 1 5
2,944 17 10	Do. of expenses of Ferry across the Detroit River	3,131 6 3
30 8 8	Repairs and Maintenance of Stationary Engines in Elevators at Hamilton and Sarnia, and at Hamilton Wharf Flour Warehouse	...
1,419 0 0	Expenses of Advertising and Agency in United States	1,322 10 3
6,512 19 10	"Blue Line" Sundries	7,240 8 8
£35,818 3 2		£38,062 2 1
Equal to 17·85 per cent. on Merchandise Traffic Receipts.		Equal to 16·83 per cent. on Merchandise Traffic Receipts
288,732¾ Tons.	Total Tonnage carried	375,576 Tons

THE GALT AND

ACCOUNT

The Great Western Railway Company of Canada in Account

RECEIPTS FROM TRAFFIC ON THE GALT AND GUELPH RAILWAY.

Half-year ended 31st July, 1868. £ s. d.		Half-year ended 31st July, 1869. £ s. d.
	To amount received during the Half-year for the carriage of—	
1,150 3 9	Passengers...	1,146 17 8
196 18 4	Mails and Sundries	214 8 9
946 12 11	Freight and Live Stock...	1,033 2 11
2,293 15 0		2,394 9 4
476 6 10	" Balance carried to Net Revenue Account	...
£2,770 1 10		£2,394 9 4

GREAT WESTERN RAILWAY OF CANADA.

ABSTRACT F.

GENERAL CHARGES.

Half-year ended 31st July, 1868. £	s.	d.		Half-year ended 31st July, 1869. £	s.	d.
4,022	8	8	Head Offices in London and Hamilton	5,159	18	7
393	17	0	Stationery, Advertising, and Printing	500	3	5
336	12	3	Postages and Stamps	340	19	6
106	11	3	Fuel and Lights	42	8	8
1,341	19	7	Travelling and Incidental Expenses...	1,635	1	4
255	6	8	Furniture, &c.	132	1	10
1,026	16	3	Law Charges	831	2	6
1,222	10	0	Directors' Remuneration, &c.	1,244	0	0
£8,706	1	8		£9,885	15	10
179	10	0	Less Transfer Fees	201	10	0
£8,526	11	8		£9,684	5	10
Equal to 2·39 per cent. on Total Revenue.				Equal to 2.51 per cent. on Total Revenue.		

GUELPH RAILWAY.

G.

with the Galt and Guelph Railway Company (Working Account).

EXPENDITURE FOR WORKING THE GALT AND GUELPH RAILWAY.

Half-year ended 31st July, 1868. £	s.	d.		Half-year ended 31st July, 1869. £	s.	d.
845	15	11	By Maintenance and Renewal of Way during the Half-year	702	15	5
748	4	2	„ Locomotive Power	529	2	5
162	7	11	„ Use of Passenger, Freight, and other Cars	172	18	4
767	2	4	„ Coaching and Merchandise Transit Expenses...	702	11	3
246	11	6	„ General Charges	246	11	6
2,770	1	10		2,353	18	11
			„ Balance carried to Net Revenue Account	40	10	5
£2,770	1	10		£2,394	9	4

31st July, 1868.		31st July, 1869.
	NOTE.—The Mileage run by Engines during the Half-year, in working the Traffic on the Galt and Guelph Railway, is as follows:—	
14,231	With Passenger and Freight Engines	9,850
3,579	Piloting and Shunting	4,323
17,810		14,173

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REPORT OF THE DIRECTORS

OF THE

Great Western Railway Company

OF CANADA.

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1. The receipts on Capital Account during the half-year amount to £258,050. 16s. 1d., and mainly arise from the first instalment of the issue of 5 per cent. Preference Stock. This includes the proportion of discount thereon, which has been charged against the remission of interest allowed by the Government, on the final settlement of the loan.

The aggregate expenditure to the same date amounted to £5,392,593. 5s. 3d., leaving a balance to the credit of Capital Account of £126,284. 19s.

In accordance with the resolution of the shareholders at the Special General Meeting held on April 28th, the directors have to announce that the whole of the 5 per cent. preferred stock, amounting to £1,018,000, has been issued at the agreed rate of 80 per cent., the first call of 25 per cent., was payable on the 17th May, 1869, and carries dividend from that date. The remaining instalments are payable, viz.:—

£16 on each £100 of stock on 1st December, 1869
16 „ „ „ 1st December, 1870
16 „ „ „ 1st December, 1871
12 „ „ „ 1st December, 1872

An Act of the Canadian Parliament (32 Vic., cap. 62) has confirmed this issue of preference stock, with option of conversion into ordinary shares until 1st January, 1880.

2. The outlay on Capital Account during the half-year, after deducting sales of surplus lands, has been £4,490. 6s. 9d., as follows:—Cost of extending sidings rendered necessary in consequence of the increased through tonnage and number of trains; additions to Detroit freight shed; Petroleum oil platform at London; proportion chargeable to capital for new windmill tank at Port Credit, and 20 new 8-wheel flat or platform cars.

3. The receipts and expenditure on Revenue Account were as follows:—

Gross receipts					£385,067	16	9
Working expenses, including renewals					232,767	13	2
					£152,300	3	7
From which there has to be deducted—							
Interest on Bonds, Loan, &c.	£46,871	6	8				
Loss on conversion of American Funds	53,781	15	0				
Loss on working Erie and Niagara Railway ..	924	3	4				
Amount set aside for renewal of Ferry Steamers ..	2,000	0	0				
					103,577	5	0
					£48,722	18	7
Add surplus from last half-year	£2,577	17	1				
Less special vote to deputation of Board	1,575	0	0				
					1,002	17	1
Proportion of half-year's Dividend on Detroit and Milwaukee Preference Shares					7,951	18	3
Profit on working Galt and Guelph Railway ..					40	10	5
Available for Dividend					£57,718	4	4

The dividend to July 31st on the first instalment of the 5 per cent. preference stock amounts to £2,608. 2s. 8d., leaving a balance of £55,110. 1s. 8d. From this balance the Directors recommend a dividend on the ordinary shares at the rate of 3 per cent. per annum, free of income-tax, payable in London on 9th November, which will absorb £53,259. 9s. 8d., and leave a surplus of £1,850. 12s. to be carried to the credit of next half-year.

The Renewal Fund for the Ferry Steamers now amounts, with interest, to £12,560. 13s. 10d.

4. The loss on conversion of American currency for the half-year amounts to £53,781. 15s., as compared with £54,748. 12s. 5d. for the corresponding period in 1868. The average rate of conversions during the half-year was 135¼, the average price of gold for the same period being 137½. The amount of assets in American funds in hand at 31st July, 1869, amounted to $218,635.41, against $215,435.72, at the commencement of the half-year.

5. The following table exhibits the receipts and expenses for six corresponding half-years :—

RECEIPTS.					EXPENSES.	
Half-year ending	Passengers, Mails and Sundries.	Freight and Live Stock.	Rents.	Total.	Including Renewals.	Per Cent. of Gross Receipts.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	
July, 1864	125,281 12 6	189,081 0 0	577 6 8	314,939 19 2	171,452 1 9	54·44
July, 1865	139,820 19 1	144,028 8 0	716 0 6	284,565 7 7	158,808 19 3	55·81
July, 1866	172,731 2 11	169,576 16 11	854 7 7	343,163 7 5	175,746 13 2	51·21
July, 1867	165,366 19 11	199,221 4 4	1,115 19 9	365,704 4 0	182,768 9 6	49·93
July, 1868	155,081 17 6	200,619 4 3	948 2 3	356,649 4 0	208,461 14 3	58·45
July, 1869	157,930 8 11	226,200 2 1	937 5 9	385,067 16 9	232,767 13 2	60·45

6. The total Traffic Receipts show an increase of £28,429. 9s. 3d. as compared with the corresponding half-year.

Increase in Local Passenger Traffic				£4,719	8	0
„ Through ditto				894	15	2
„ Local Freight and Live Stock ditto				12,038	3	11
„ Through ditto ditto				13,542	13	11
				£31,195	1	0
Decrease in Emigrant Traffic	£173	7	5			
„ Express Freight and Sundries..	2,592	4	4			
				2,765	11	9
Total increase ..				£28,429	9	3

7. The low tariff of rates referred to in the last report as arising from competition has been continued throughout the half-year by rival American Railroads, and the North Shore route (of which the Great Western forms the middle link) has been obliged to adopt the same rates. This has considerably affected the ratio of working expenses to earnings, which this half-year amounts to 60·45 per cent., against 58·45 per cent. in the corresponding half-year.

The cost, of ordinary working expenses per train mile for the last five corresponding half-years is as follows :—

31st July,	1865	..	..	5/0¾d. sterling.
„ „	1866	..	..	4/-9 „
„ „	1867	..	..	4/2¾ „
„ „	1868	..	..	4/8¾ „
„ „	1869	..	..	4/8 „

8. The opening of the Pacific Railroad will bring to the Great Western Line a considerable traffic between the Atlantic and Pacific coasts, which was formerly conveyed by water by the Panama route. Passengers can now travel through in the same car from New York to Chicago, where direct connections are made with the Pacific Railroad. The Great Western will participate in the advantages of 2,000 miles of additional railway communication west of the Missouri River.

The development of this traffic will, doubtless, lead to a closer alliance with some of the lines between Chicago and New York; indeed the Erie, Lake Shore, and Michigan Southern Railroads are already said to be consolidated. Should any definite and acceptable proposals be made to this Company, they will be submitted to the Shareholders for their consideration.

9. The unbroken gauge established between the East and West by the Third Rail over this line, has developed a large grain business never before conveyed by railway. From this traffic important results may be expected in the future. Millers in New England States formerly obtained cargoes of grain during the period of navigation only; they now receive their supplies in car loads all through the winter. The lumber trade has also been promoted by the same means. It is satisfactory to be able to state that on all the sections of country in the neighbourhood of the line, the crops have been more abundant than for some years past.

A Special Freight Line has been established in connection with the Detroit and Milwaukee Road, by which freight is transported between Grand Haven and the Atlantic seaboard without transfer.

10. The last half-year's report referred to an agreement with the Wellington Grey and Bruce Railway Company to work the traffic (under certain conditions) of the first section (16 miles) of that line as far as the town of Fergus, and which portion is now approaching completion. The same arrangement has since been made with regard to the entire main line of the Wellington Grey and Bruce Railway, intended to be constructed from Guelph to some point on Lake Huron, making altogether about 90 miles, but not to any future branches or extensions. The agreement can be seen at the offices.

11. The Directors have to announce that the surplus revenue of the Detroit and Milwaukee Railroad Company on 30th June, 1869, admits of a dividend at the rate of seven per cent. per annum to this Company on the $2,095,000 Preference Shares. One-fourth of this

sum of £10,602. 11s. has been applied in part liquidation of the Detroit and Milwaukee Old Interest Account, which now stands in the balance-sheet at £6,944. 19s. 3d.

The gross earnings of the Detroit and Milwaukee Railroad for the half-year to 30th June, 1869, were	£154,786	17	11
Working expenses, taxes, and insurance ..	99,621	18	1
Net revenue	£55,164	19	10

On behalf of the Board of Directors,

THOMAS DAKIN,

President.

London, October 13th, 1869.

REPORT OF THE ENGINEER.

ENGINEERING DEPARTMENT,
GREAT WESTERN RAILWAY, HAMILTON,
24th August, 1869.

THOS. SWINYARD, ESQ.,
General Manager.

DEAR SIR,—I beg to submit to you the following Report upon the working of my department during the half-year ended 31st July last:—

CHARGES TO REVENUE.

	£	s.	d.
The total expenditure of this department during the half-year chargeable to Revenue amounts to	58,602	13	11
As compared with the corresponding half of 1868, which amounted to	51,028	8	4

CHARGES TO CAPITAL.

During the past half-year the undermentioned new Works were executed, forming a charge to Capital Account.

		£	s.	d.
1st.—*Superstructure.*—Labour and materials laying down a through siding with a third rail at Copetown; extension of sidings at London, and laying down a third rail in the Oil, Coal and Pork sidings at Hamilton		357	11	2
100½ tons of rails laid down in same...		929	5	8
Making switches and crossings and preparing materials for additional narrow gauge sidings to be laid down at various points along the Main Line		1,027	7	11
		*£2,314	4	9
2nd.—*Buildings.*—Proportion chargeable to capital of the cost of building a tank and erecting a windmill pump at Port Credit, charge from Mechanical Department	£92 9 4			
Cost of making additions to freight shed on the Michigan Central Railroad grounds at Detroit...	85 8 2			
Cost of building an Oil platform at London... ...	16 15 11			
		194	13	5
		£2,508	18	2

Nearly the whole of the above amount charged to construction account is for several new narrow gauge sidings, which were absolutely necessary for the adequate accommodation of the traffic.

More narrow gauge sidings are still urgently needed, and an additional number, extending in the aggregate to 3½ miles of new sidings, are at present under construction. These will obviate many of the difficulties experienced during the past winter in the prompt despatch of the trains at a time when the freight business of the main line fully taxed the capacity of our single track railway.

* NOTE.—In the Capital Account No. 1 this amount is reduced by the sum of £124. 1s. 2d., received for the sale of surplus lands.

Revenue Account.

	£	s.	d.
Repairs and Renewals of Bridges and Culverts	2,983	8	3
,, ,, Sidings	1,752	11	11
,, ,, Fences	1,637	4	9
,, ,, Buildings and Wharves	1,778	7	5
,, ,, Signals	344	11	3
,, ,, Approaches	178	6	4
Platelayers' Wages and Extra Work for maintenance and renewals of Permanent Way	21,775	9	8
*3,184½ tons re-rolled rails	15,040	5	11
407,095 lbs. fish plates, bolts and nuts, and chairs for switches, and small stores	6,312	4	9
90,705 sleepers laid in track	5,591	8	1
Cost of labour and material used in laying down a Branch track to new gravel pit at Stamford, near Suspension Bridge ...	328	15	4
Engineering superintendence	880	0	3
Total	£58,602	13	11

The above expenditure exceeds that of the corresponding half-year in 1868 by a sum of £7,574. 5s. 7d., but the freight tonnage and engine mileage having increased in very nearly the same proportion, the additional outlay on maintenance and renewals is thus to a large extent accounted for.

The following tabular statement shows the relative proportion of the cost of maintenance and renewals to the Traffic Engine Mileage and tonnage of freight passing over the line since the completion of the extraordinary renewals in 1867 :—

Half-year ended	Cost of Maintenance and Renewals.	Traffic Engine Mileage.	Cost per Engine mile.	Total freight tonnage carried over Line and Branches.	Total freight tonnage carried whole length of Main Line.
	£. s. d.	Miles.	d.	Tons.	Tons.
31st July, 1867 ...	42,773 8 9	1,141,901	8·99	296,787	136,693
31st Jan., 1868 ...	43,589 11 8	1,151,833	9·08	284,985	147,064
31st July, 1868 ...	51,028 8 4	1,202,913	10·18	286,733	140,643
31st Jan., 1869 ...	48,535 17 4	1,317,863	8·84	338,911	203,656
31st July, 1869 ...	58,602 13 11	1,358,530	10·35	375,576	208,773

* This sum is in mixed currency, being increased by a sum of £1,264. 10s. 2d., arising from the purchase of coal and firebrick, &c., in the United States, and charged in American currency in the accounts.

The above proportion of cost of maintenance and renewals to the engine mileage and freight tonnage compares very favourably with that of the leading railways of the Northern States.

The increase during the past half-year is in re-rolled rails, trackmen's wages, sleepers and ballasting, whilst on the other hand there is a large reduction in the cost of repairs of bridges and buildings, arising from the recent heavy renewals of these works.

The weight of re-rolled rails laid in the track during the last six months was 3,184½ tons, being 1,054½ tons (or nearly fifty per cent.) in excess of that of the corresponding half-year of 1868, owing to the unusual breakage and lamination of both rails and joint fastenings which took place during the severe weather of last February and March, following suddenly as it did upon an exceptionally mild and spring-like season, which prevailed throughout January and the first half of February. The rails which suffered most severely were those which had been earliest re-rolled, viz., in 1861 and 1862, and those imported from Wales in 1866 for the narrow gauge track, a large proportion of which latter have proved to be very ill adapted to withstand the severe stress of our heavy freight traffic during the winter months.

The gross weight now passing over our Main line (embracing all classes of trains), exceeds two and one quarter millions tons per annum on the central division on a single line of rails, a load which in this climate wears out the best quality of 66lbs rails in a very few years. All the leading railways of the Northern States are now rapidly relaying their main tracks with Bessemer steel rails (with most successful results), and I beg strongly to recommend that we should lose no time in commencing to relay the heavy gradients of our Central and Eastern divisions between Suspension Bridge and London with Bessemer steel rails as fast as the iron rails are worn out.

Bessemer rails are now considerably less than twice the cost of iron rails, and it is established beyond all doubt that their duration is at least five times that of an iron track.

The wages of the trackmen throughout the line have been increased during the past half-year from 80 cents to 90 cents and one dollar a day, in order to check the wholesale emigration which was taking place to the Western States where the demand for railway labourers is very great. This increase adds a sum of £2,054. 15s. 11d. a-year to the wages of the permanent force employed on the line.

The stock of surplus rails is 2,542 tons, valued at £23,762 15 10

GALT AND GUELPH BRANCH, 15½ MILES.

Cost of maintenance, renewals and watching for the half-year	£702 15 5
The cost of the corresponding half-year was	£845 15 11

ERIE AND NIAGARA RAILWAY, 31¼ MILES.

Cost of maintenance for the half-year	£475 11 5
The cost for the corresponding half-year was	170 1 9

The above is the cost of Maintenance for a period of four months as compared with three months in the corresponding half-year of 1868, and it includes the cost of working a ballast train for repairing the track during a period of three weeks.

I am, dear Sir,

Yours faithfully,

GEORGE LOWE REID,

Engineer.

REPORT OF THE LOCOMOTIVE AND CAR SUPERINTENDENT.

MECHANICAL DEPARTMENT,

GREAT WESTERN RAILWAY, HAMILTON,

19*th August*, 1869.

THOS. SWINYARD, ESQ.,
General Manager.

DEAR SIR,—I beg to submit to you the following Report of the working of this department for the half-year ending July 31st, 1869.

CHARGES TO CAPITAL.

For 20 new eight-wheeled Flat or Platform Cars constructed in the Company's works as additional stock for use of Traffic	£2,105	9	9

CHARGES TO REVENUE.

LOCOMOTIVE DEPARTMENT.

The expenditure in this department during the half-year chargeable to revenue amounts to	£55,667	8	3
As compared with the corresponding half-year of 1868	53,018	9	0

CAR DEPARTMENT.

The expenditure in this department during the half-year chargeable to revenue amounts to	£30,654	19	7
As compared with the corresponding half-year of 1868	24,115	13	10

LOCOMOTIVE DEPARTMENT.

Renewals.—The amount expended for renewals of engines during

the half-year, and included in the charge to Revenue Account, is as follows:—

On account of new Passenger Engines to replace "Norris" and "Amoskeag" classes	£6,124	19	2
On account of new Boilers and general reconstruction of the two Engines of "Gunn's" class	914	16	3
On account of new material manufactured for other Engines	1,697	18	2
Total	£8,737	13	7
As compared with the corresponding half-year of 1868 ...	£7,345	5	11

Three more of the six new Passenger engines mentioned in last half-year's report as under construction, have been completed and put to work during the half-year. Their names are the "Elk," "Antelope," and "Greyhound," and they replace the three old engines of the Amoskeag class, hitherto called by the same names. Two more of these new Passenger engines are now under construction.

In addition to the above mentioned renewals, considerable progress has been made during the six months with the construction of two new boilers for two engines built by Gunn & Co., formerly of Hamilton, the present boilers of these engines being worn out.

Repairs.—31 Engines have received heavy, and 18 light repairs.

The repairs to the boilers of many of our Engines continue to be exceedingly heavy; four Engines were supplied with new half barrels, six with new copper flue sheets, and two with new copper crown sheets, like those mentioned in last report. These special repairs have enabled us to increase the strength of the boilers of six Engines in such a manner as to permit an increase of their working pressure from 120 to 130 lbs. per square inch.

The following new material has been supplied, and charged in the half-year's expenses:—5 cast steel crank axles, 3 straight cast steel axles, 12 tender axles, 37 axle boxes, 13 pistons, 2 eccentric pulleys, 2 eccentric

straps, 1 pair of cylinders, 7 crank pins, 5 cross heads, 9 cast-iron driving wheels, 4 engine springs, 3 smoke stacks, 74 cast steel tyres.

Stock of Engines.—The number of Locomotives is the same as reported last half-year, viz :—

	46	Passenger Engines.
	44	Freight Engines.
	8	Shunting Engines.
	1	Locomotive Fire Engine.
Total ...	99	

The Locomotive Stock generally is in satisfactory condition.

Pumping Engines, Tanks, &c.—The repairs necessary for the maintenance of the different water stations have received efficient attention, and the tank service generally is in satisfactory condition.

At Port Credit a new tank and windmill pumping apparatus were erected to replace the old arrangement hitherto worked by steam power.

At Toronto three new tanks and tank frames were erected in place of the three old tanks which were too much decayed for further use.

During the month of May the tank buildings at Bothwell Station were accidentally destroyed by fire, caught from a large conflagration in the town, which commenced near the Company's premises. Newbury being a station where a more abundant water supply can be secured, new buildings to replace those destroyed at Bothwell are being erected there, with the improved windmill pumping apparatus.

Turntables.—These have been maintained in good order. The timbers and foundation of the turntables at Toronto Station have been renewed.

Comparative Expenditure of the Department.—The increase in the Locomotive expenses amounts to £2,648. 19s. 3d., and is accounted for by the increased traffic, the tonnage carried having been greater by 35 per cent. than in the corresponding previous half-year, while the mileage of engines in carrying the same has only increased 12 per cent.

The following Table shows the total expenditure of the Locomotive Department for seven consecutive half-years, including that under report and exclusive of the "Galt and Guelph" and the "Erie and Niagara" Railway charges.

	Half-Years ending July 31st.						
	1863.	1864.	1865.	1866.	1867.	1868	1869.
Total Locomotive Expenses	£41,590	£41,162	£36,243	£40,799	£44,760	£59,018	£55,667
Per Centage on Earnings.....	14·12	13·00	12·50	11·80	12·20	14·80	14·40
Number of cords of Fuel.....	17,016	15,881	13,592	17,213	21,832	26,394	30,712
Total Cost of Fuel	£10,489	£9,483	£7,680	£9,726	£12,365	£20,358	£19,708
Cost of Fuel per Engine traffic Mile	2·59d.	2·23d.	2·19d.	2·34d.	2·60d.	4·05d.	3·48d.
Ditto Train ditto.....	3·51d.	3·05d.	3·06d.	3·31d.	3·60d.	5·76d.	4·91d.

Car Department.

Renewals—The amount expended for renewal of cars during the half-year, and included in the charges to Revenue, is £3,859. 0s. 8d., the following renewals having been effected—4 first-class cars mentioned in last report as under reconstruction, were completed during the half-year with all the latest improvements; 7 flat and 27 box cars rebuilt; the trucks also of 7 baggage van flats were converted to narrow gauge during the period. 626 new side-springs, 6 sets new lateral motion springs, 335 axles, and 718 new chilled wheels, have also been supplied, and charged in the expenses of the half-year.

Repairs.—The repairs have been thoroughly attended to as required.

Stock of Cars.—20 new flat or platform cars have been added to the stock, and 2 first-class cars, 10 conductors, and 7 baggage van flat cars have been converted from broad to narrow gauge.

The present number of cars is shown in the following Table:—

Description of Cars.	Broad Gauge.	Narrow Gauge.	Total.
First Class Cars	72	11	83
Second Class and Emigrant Cars ...	46	...	46
Post Office and Baggage Cars ...	20	...	20
Baggage Van Flat Cars	...	7	7
Composite Cars	10	...	10
Conductors' Cars	23	10	33
Blue Line Cars	...	130	130
Box (Freight and Express) Cars ...	525	18	543
Grated Door Box Cars	115	90	205
Cattle Cars	50	60	110
Flat or Platform Cars	274	1	275
Timber Flats (4 wheels)	6	...	6
Gravel and Construction	120	...	120
Totals	1,261	327	1,588
As compared with last half-year ...	1,260	308	1,568

The Car Stock generally is in a satisfactory condition.

Steamers.

"*Great Western*" *and* "*Union.*"—These boats have worked most satisfactorily during the half-year, the traffic ferried over the river having been much in excess of the corresponding period.

Two new pistons have been made at the cost of revenue for use as spare gear in case of accident, for the car ferry boat, and two additional safety-

valves have been provided in accordance with Government requirements also at cost of revenue; the hull also and upper works of this boat have been painted, and the pipes for carrying off the bilge water extended.

Both boats are in good and efficient condition at the present time.

Buildings and Tools.

During the half-year considerable progress has been made with two new and improved boilers, now under construction at the cost of revenue, for the Hamilton stationary engine of this department, to replace the two at present in use, which from long service are now nearly worn out.

A new piston has also been constructed for this stationary engine.

The condition of the other tools, and of the buildings generally, has been well maintained.

Yours faithfully,

W. A. ROBINSON,

Mechanical Superintendent.