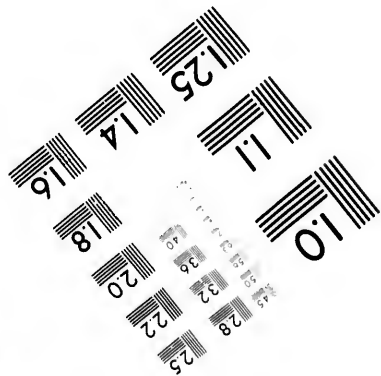
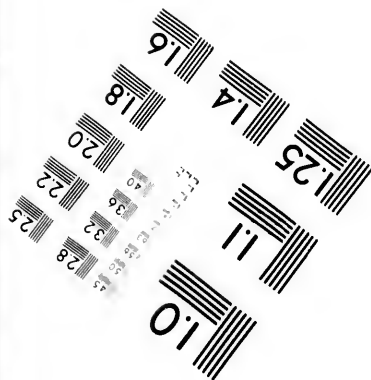
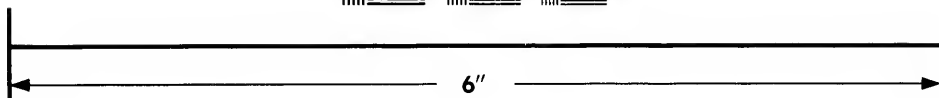
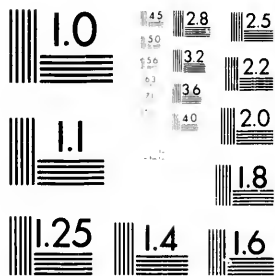


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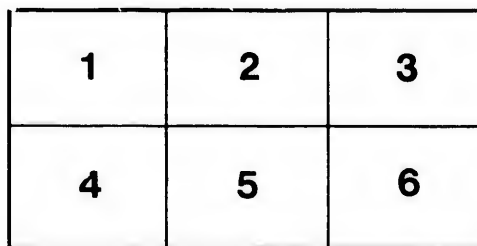
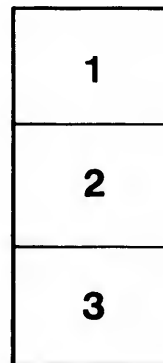
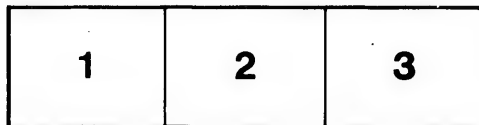
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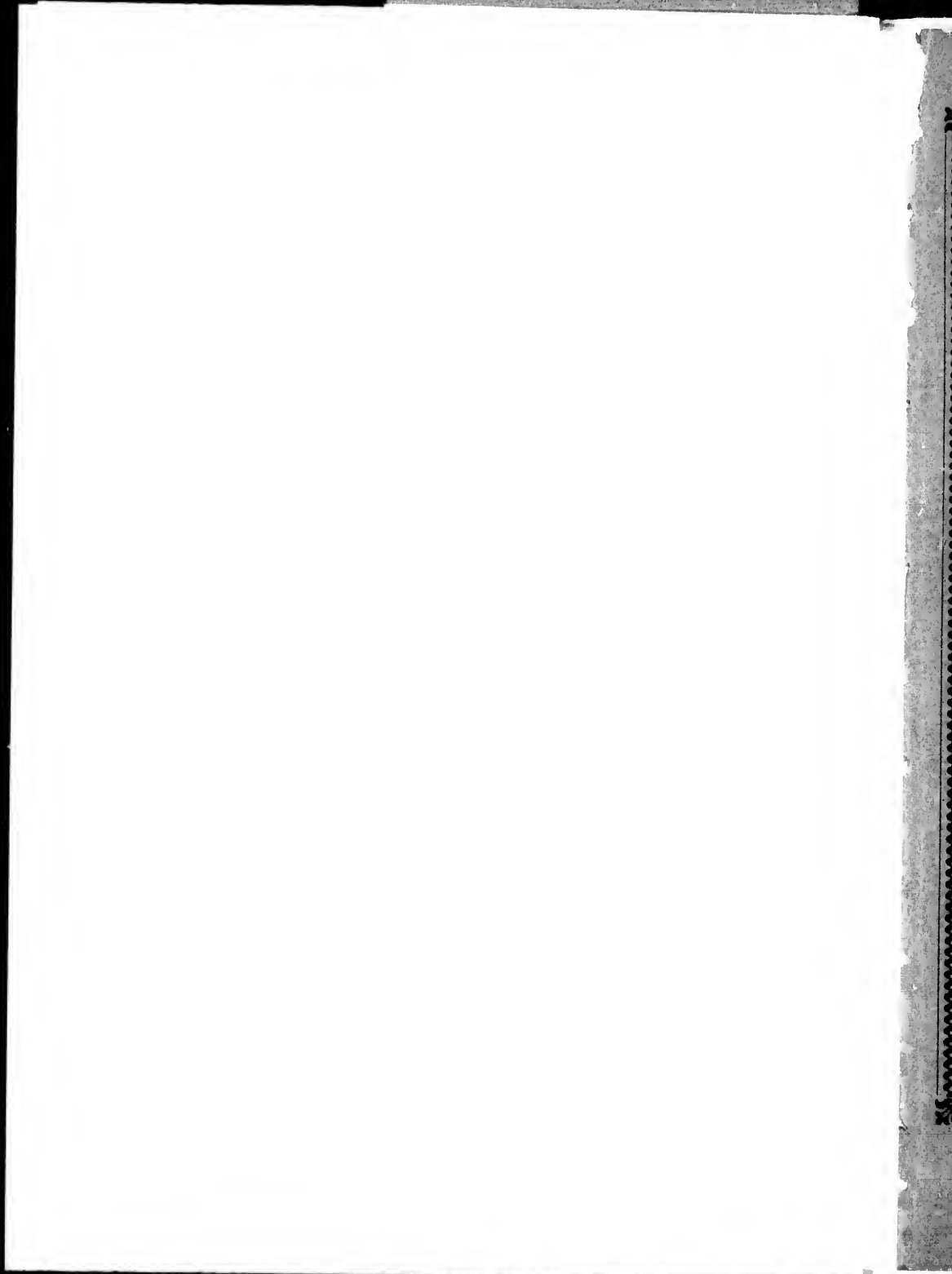
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REPORT

SUBMITTED BY THE

PRESIDENT AND DIRECTORS

OF

The Midland Railway

OF CANADA,

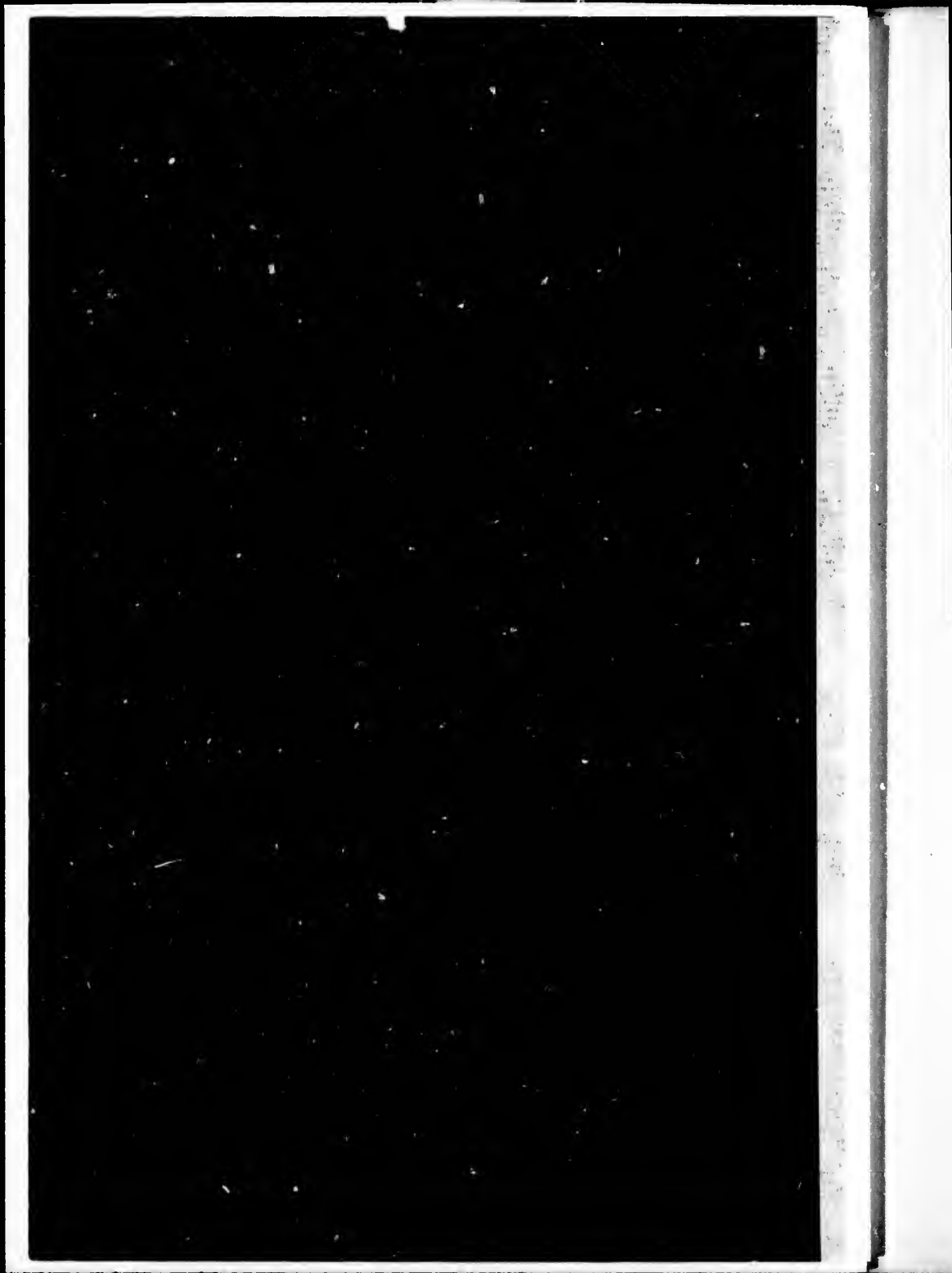
For the Year ending December 31st, 1881.

AT THE GENERAL MEETING OF THE PROPRIETORS, HELD AT
THE COMPANY'S OFFICES, IN PORT HOPE, ON
TUESDAY, 16TH DAY OF MAY, 1882.

Peterborough:

J. R. STRATTON, PRINTER, EXAMINER STEAM PRESSES, GEORGE STREET,

1882.



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MIDLAND RAILWAY OF CANADA.

Directors:

IN CANADA,—

GEO. A. COX, Esq., Peterborough, *President and General Manager.*
ROBT. JAFFRAY, Esq., } Toronto.
H. P. DWIGHT, Esq., }
J. R. DUNDAS, Esq., Lindsay.
LEWIS ROSS, Esq., Port Hope.

IN LONDON. ENGLAND,—

H. GRISSSEL, Esq.,
U. R. BURKE, Esq.,
EDWARD J. HALSEY, Esq.

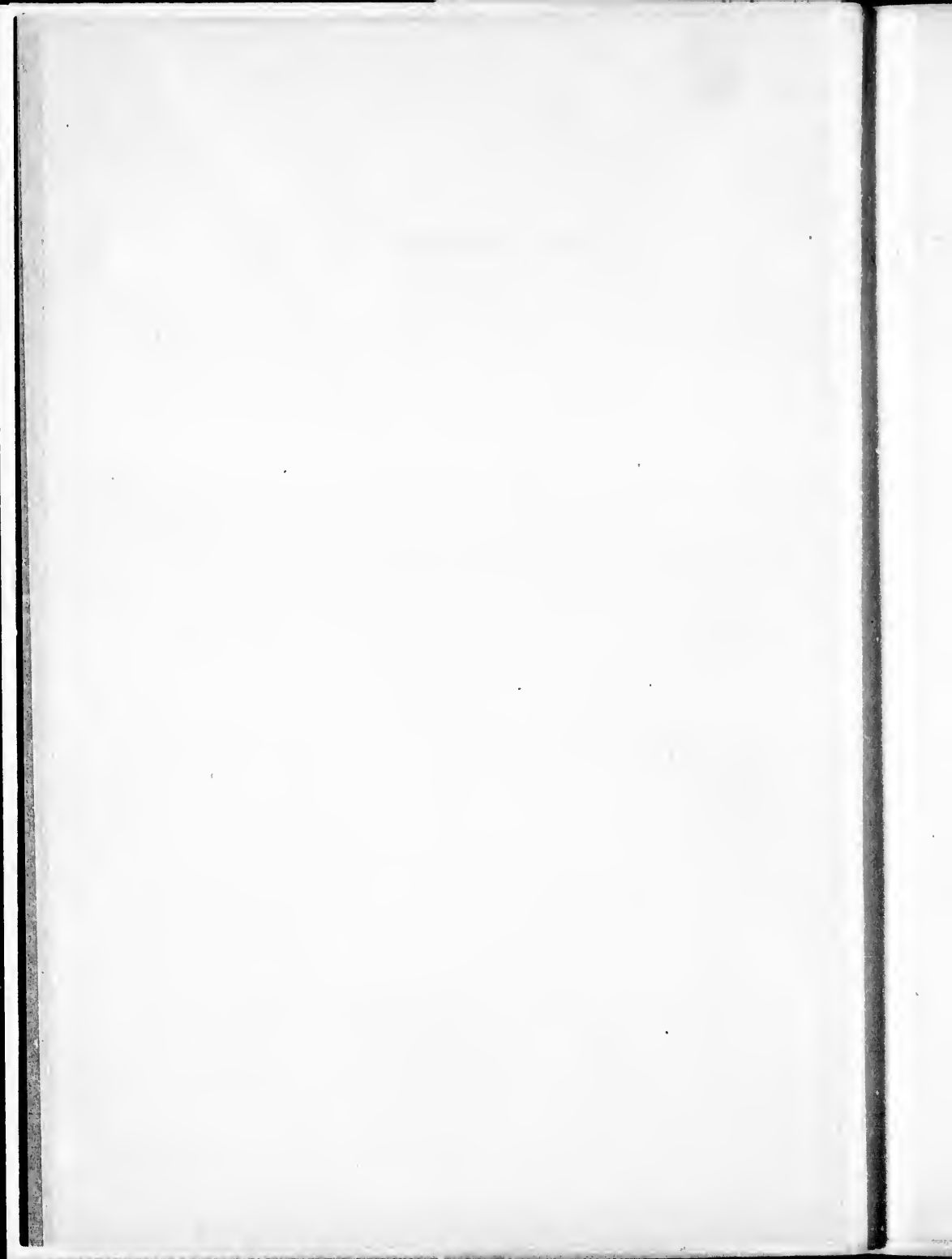
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IN CANADA: THE BANK OF MONTREAL.
IN ENGLAND: GLYN, MILLS, CURRIE & CO., London.

Officers:

GEO. A. COX *General Manager.*
ARTHUR WHITE *Traffic Manager.*
H. READ *Secretary-Treasurer.*
W. B. FERGUSON *Superintendent.*
T. A. HAY *Engineer.*
H. W. WALKER } *Auditors.*
JNO. PATERSON }

OFFICE OF COMPANY IN CANADA: PORT HOPE, ONTARIO,
OFFICE OF COMPANY IN LONDON: 77, CORNHILL, E. C.



Midland Railway of Canada.

ANNUAL GENERAL MEETING OF THE PROPRIETORS OF THE COMPANY.

PORT HOPE, Tuesday, 16th May, 1882.

The Annual General Meeting of the Proprietors of the Midland Railway, called by advertisement, was held this day at their offices, Port Hope.

The following gentlemen, amongst others, were present :—
Messrs. Geo. A. Cox, President ; Lewis Ross, Port Hope ; Robert Jaffray, H. P. Dwight, Toronto ; J. R. Dundas, Lindsay, Directors ;
A. Hugel, E. S. Vindin, Mayor Randall, Port Hope ; and others.

The President, (Mr. Geo. A. Cox,) took the chair at 1 p.m., and having called the meeting to order, the Secretary read the following notice calling the meeting, which had been duly advertised, in accordance with law :—

NOTICE.

The Annual Meeting of the Shareholders and Bondholders of the Midland Railway Company of Canada, for the election of Directors and for other purposes, will be held at their offices in Port Hope, on Tuesday, May 16th, 1882, at the hour of one o'clock, p.m., pursuant to by-laws to that effect.

Port Hope, February 24th, 1882.

H. READ,
Secretary.

The Minutes of the last Annual Meeting, held at Port Hope, on the 19th of April, 1881, were taken as read.

The Secretary read the report of the Canadian Directors which was as follows :—

REPORT OF THE PRESIDENT AND DIRECTORS
OF THE
MIDLAND RAILWAY OF CANADA.

To the Proprietors of the Midland Railway of Canada :

PETERBOROUGH, 16th May, 1882.

Your Directors in submitting their report for the year ending 31st December, 1881, with the customary accounts and Auditor's Certificate attached thereto, have again the pleasure of reporting a most satisfactory increase over the earnings of the previous year.

The total traffic receipts for the year have amounted to the sum of \$404,360.20, or £83,087, 14s. 3d.; as against \$334,084.55, or £68,647, 10s. 2d. for 1880; showing an increase of \$70,275.65, or £14,440, 4s. 1d.

It will be observed by these figures that our most sanguine expectations for the year have been more than realized, notwithstanding the fact that one of the largest lumber mills on the line was burned at the commencement of the season, and not rebuilt in time to contribute anything to the earnings of the year.

EXPENDITURE.

The working expenses for the year have been \$223,598.89, 55.30 per cent. on the gross receipts, showing a slight decrease of less than one per cent., but which may be considered as very satisfactory, looking to the marked increase in the price of all material used by the Company, as well as the increased cost of labour.

REVENUE ACCOUNT.

The net revenue for the year amounted to \$180,761.31 (£37,-

142, 14s. 8d.) It has been appropriated as per the revenue statement, herewith submitted, and exceeding, as it does, the interest obligations on the total bonded debt including the municipal payments of the Company, it has fully justified the confidence expressed in the last annual report:—"That the net earnings of the Company "for the future would be quite sufficient to meet all its interest "obligations."

These gratifying results having been accomplished during the past year, while in competition with the Grand Junction Company the first half of the year, and with our elevators and other terminal facilities for the through grain trade, barely completed at the close of the season, it is only reasonable to regard them as fully assured for the future, with the increased earnings that we shall realize from the through trade, and the advantages that we shall derive from the absence of competition.

As indicated in the last annual report, the Surplus and Preference Bonds still held by the Company, and hypothecated upon very favorable terms, enabled your Directors, after the settlement of the entire floating debt of the Company, to expend \$224,666.73 in making very important additions and improvements to the property, particulars of which may be seen by reference to the accounts, but amongst the more important of which may be mentioned:—The relaying of over 26 miles of the line with new steel rails, at a cost with extra ballasting, &c., of \$112,343.94; the construction of a large and commodious wharf, elevator foundation and other improvements at Midland, at a cost of \$55,897.18; the expenditure of \$33,537.61 in the acquisition of new rolling stock; and of \$23,644.23 in laying down additional siding accommodation to meet the increased demands of business, and to afford accommodation for the new mills erected on the line.

The demands for additional rolling stock, beyond what we were able to provide, led to a satisfactory arrangement with the Midland Rolling Stock Company, whereby four (4) Locomotives, eight (8) Conductor's Vans, two (2) Postal and Smoking Cars, one (1) Coach, ten (10) Box and seventy (70) Platform Cars were added to our

equipment, upon terms of payment extending over a period of five years, with the option to the Company of paying the full balance due at any time they so desired.

The erection of the Midland Elevator was undertaken and satisfactorily carried out by the same Company, and upon the same terms as the Port Hope Elevator. It was not completed until near the close of navigation, but we shall now be fully prepared, with terminal facilities at each end of the line, and the necessary equipment to successfully handle a large quantity of through grain.

In the last report, reference was made to the fact that the Grand Junction Railway had been completed from Belleville to Peterborough. After a sharp competition with that Company for several months, resulting in demoralized rates, we took possession of it, under lease, on the 1st of June, and since that date, negotiations were entered into, which led to the confirmation of an agreement at a Special General Meeting of the Proprietors, held in Port Hope, on the 12th day of December, for the amalgamation with this Company of the Grand Junction, Toronto & Nipissing, Whitby, Port Perry & Lindsay, Victoria, and Toronto & Ottawa Railway Companies, under the name of the Midland Railway of Canada. The agreement was ratified by special Act of Parliament, at the recent session of the Ontario Legislature, and received the Royal assent on the 10th day of March.

The importance of this consolidation to the proprietors of the other interested Companies, and to the section of the country served by the consolidated lines cannot be over-estimated.

The acquisition of the Toronto & Nipissing line, with the change of gauge that has now been completed, gives the entire system direct connection with the City of Toronto, the commercial centre of Ontario.

The Grand Junction line and the completion of the link between Peterborough and Omemee, now under construction, affords an additional junction with the Grand Trunk Railway at the City

of Belleville, giving the best and most direct route between the upper lake ports and the Bay of Quinte, which is at the head of St. Lawrence river navigation, to the Atlantic ports.

The Whitby, Port Perry and Lindsay line extends from the important town of Lindsay on the main line, through a rich agricultural district, to a junction with the Grand Trunk Railway at Whitby, and a valuable harbor on lake Ontario.

The Victoria Railway also extends from the Town of Lindsay and penetrates 56 miles into the, as yet, only partially developed mining and lumbering districts of the north.

The Toronto and Ottawa line, now under construction from Madoc (a point on the Grand Junction line) eastward, passes through a rich mining and agricultural district, a distance of 113 miles to the City of Ottawa, thus giving the consolidated system a direct and independent line to the capital of the Dominion, where connection is made with the Canada Pacific; Quebec, Montreal and Occidental; and Canada Atlantic Railways, thereby providing a second direct through line from the west to the east.

It will thus be seen that the consolidation into one company of these various lines forms an important system.

It will afford very ample railway facilities to all the principal towns in the Midland district.

It gives a shorter and more direct line between the cities of Ottawa and Toronto.

To connecting lines, such as the Great Western and Credit Valley, it offers another through all-rail-route by which the products of the west may reach the Atlantic sea-ports.

With its magnificent harbor at Midland, on Lake Huron, and its four harbours on Lake Ontario, it possesses the shortest and best mixed rail and water route between the Western and North Western States and the sea-board.

In addition to the foregoing advantages, the amalgamation under one management of these six lines, heretofore under separate management, must give a more efficient service to the public, and cannot fail to effect an important saving in expenses, besides largely increasing the earnings, which may be safely estimated at \$250,000 over the aggregate earnings of the different sections for the last year.

This, taken in connection with the fact that the total net earnings of the various companies for last year, were sufficient to pay interest on the full amount of Consolidated Bonds allotted to the several companies, cannot but be very satisfactory to the proprietors.

Under the terms of the amalgamation agreement, there was allotted to the Midland Railway £705,000 sterling of the new Consolidated Company's bonds, for the purpose of redeeming the existing bonds, which are as follows, viz.:—

First Mortgage Bonds	£525,000
Preference Mortgage Bonds	150,000
Deferred Interest Certificates	30,000
	£705,000

It will be remembered that a certain portion of the above bonds have not been sold, but were hypothecated, for the purpose of securing advances obtained by the Company, for the settlement of its floating debt and expenditure on capital account.

Under the terms of the agreement each company has to pay all its liabilities excepting the bonded debt and Municipal liens. Your Directors were of the opinion, after very careful consideration, that the sale of the bonds thus hypothecated would be sufficient to pay the amount for which they are pledged, and discharge all other liabilities of the Company, in accordance with the consolidation agreement.

Again, the Canadian Directors have great pleasure in acknow-

ledging the hearty and zealous support and co-operation of their co-directors in London, and the very valuable assistance rendered by them in carrying out the negotiations in connection with the consolidation, which has been so satisfactorily consummated, and which must necessarily result in such permanent advantages to the Company.

Their best thanks are also due to the officers and employees of the Company who have been most successful and untiring in their efforts to promote the general prosperity of the line.

Respectfully submitted,

GEO. A. COX,
President.

In moving the adoption of the report, the President, MR. GEO. A. COX, said :

GENTLEMEN,—In moving the adoption of the report that has just been read, it is not my intention to trespass on your time at any length. The figures in the report speak for themselves. They show a larger gross revenue, a larger net revenue and a lower percentage of expense than any previous year in the history of the Company. All our interest obligations for the year were promptly paid at maturity from net revenue. From the sale and hypothecation of surplus and preference bonds, the entire floating debt of the Company was settled, and no less than \$224,660.73 expended on the improvements of the property in addition to the ordinary expenditure under that head. The year under review has not only been the most successful, but it has been the most eventful in the history of the Company. At a special general meeting of the proprietors held on the 12th of December, an agreement was confirmed, whereby the Midland Railway of Canada, by the absorption of competing and connecting lines, increased its mileage from 142 to 455 miles. After a reference to the recent amalgamation, Mr. Cox went on to say : The acquisition of the Toronto and Ottawa charter gives us the necessary legislative power to extend to the City of Ottawa, where we can connect with other lines for the seaboard.

Some of our newspaper friends have been good enough to say that this charter was obtained simply for the purpose of preventing the construction of that line, and profess to believe that the only hope for the country is in the Ontario and Quebec line, which is proposed to cover the same ground. I do not intend to make any very lavish predictions or promises for the future. I prefer to let that speak for itself. I wish to state, however, that scarcely three months have elapsed since the legislation which gave us control of that charter received the royal assent, and already four separate sections are under contract, which will complete our line from Toronto to Perth. Not less than eight hundred men are engaged on the work, and their numbers are being daily augmented, pushing the work forward to completion with the least possible delay. We expect to have our trains running between Toronto and Bridgewater, a distance of 158 miles, not later than the 1st of November next, and the contract for the construction of the 62 miles between Bridgewater and Perth, awarded on Wednesday last to Mr. H. J. Beemer, of Montreal, is to be completed by the 10th of May, 1883. Possibly English capitalists may be found, who, in their anxiety to assist and encourage railway competition in Canada, will furnish the necessary funds to the Ontario and Quebec Company to build a third line over the same ground, lying, as the Credit Valley does, in Western Ontario, between and at a short distance on either side from two existing lines; but the Canadian public, who, for a time, may benefit by ruinous competition, while willing to encourage this to the extent of writing sensational newspaper articles, will be very careful not to invest much of their own money in it. I, therefore, venture the opinion, that it will be some time before we see this line constructed. But I have taken up more time on this subject than I intended. I shall return to what more directly concerns our own proprietors, and speak of the position and prospects of our own company. By the absorption or consolidation of the various lines to which I have already referred, the earning capacity of our road has been largely increased, and our securities placed in a much safer and more satisfactory position. The aggregate earnings, last year, of the different sections forming the consolidated company, in their disjointed and competing attitude, was enough to pay interest on the entire bonded debt of the new company, and we have already had so far this year (and it is the worst part of the year) an increase of \$98,603, or more than 41 per cent. over the corresponding period of last year. The through grain trade, which was barely commenced last fall, our elevators and wharves having been scarcely completed before the winter set in, and which consequently added but very little

to the revenue of last year, has opened with so much encouragement this season, that during the last eighteen days we have handed the Grand Trunk Co., at this station, no less than 315 cars of through grain, besides large quantities of lumber and other freight. The large amount of traffic that we are handling that Company at the different stations where we intersect them, explains how the Midland Railway can be both a competing and contributing Company to the Grand Trunk, and while maintaining its own independence as a competitor, at the same time retaining, by its large contributions, the friendly co-operation of that company. And the circumstance that will add very largely to the importance and earning capacity of the Midland system, is the exceedingly encouraging prospect of the immediate construction of the Ontario and Sault Ste. Marie Railway, which will form an important connection for this Company. The subsidy that the Ontario Government proposes to grant for the purpose of aiding a line in making a connection between the Canada Pacific and the Ontario system of railways, together with the substantial subsidy of \$660,000 to be granted by the Dominion Government for the same purpose, taken in connection with the very encouraging remarks of Sir Charles Tupper in the House of Commons last night, in which he states that the Government have decided to accept the proposal of the Ontario and Sault Ste. Marie Company, affords good ground to hope for the immediate construction of this road, which will throw a large amount of traffic over our own line. There is another matter that I desire to acknowledge, and that is the very magnanimous position taken by the Town of Port Hope in not retarding our legislation, as some other towns did, from feelings of petty local jealousies. The legislation providing for the location of the head offices of the Company at Peterborough, might very naturally have incurred the opposition of Port Hope, but I was pleased to know that they took too broad a view of what was really in the interest of the Company, and of the town, as its most important terminus, to raise any petty objections; and in justice to those who took that position, I desire to say, that while the impression has to some extent gained ground that the policy of the Company is injurious to the town of Port Hope, at no time in the history of the Company was there as many men employed, as much business transacted, as much disbursed for wages, as at the present time. In signing a cheque for the Port Hope pay roll yesterday, for \$8,062.18, I was curious to know what it was for the corresponding month for the first year that I assumed the management of the Company, and I found it was \$4,752.38, or very little over one-half what it was for the month just closed; so, if Port Hope is not as prosper-

ous as it was, Mr. Ross and his followers must charge it upon the National Policy or some other cause ; and Colonel Williams and his followers must claim that it is because they have not yet had the National Policy long enough ; but they must both agree in exonerating the Midland Railway from all blame in the matter. I have much pleasure in moving the adoption of the report.

MR. ROBT. JAFFRAY, of Toronto, in seconding the motion to adopt the report, said, from the exhaustive speech of the President very little was left for him to say. At the last annual meeting he had spoken strongly and hopefully of the future of the Midland, and the prospects now were still better. As yet the Midland Railway was only in its infancy, and when fully developed would be second to none in Canada. All must be pleased with the happy manner in which the amalgamation had been brought about. So many rival interests were to be considered, and so many difficulties of a local nature to be overcome, that to give general satisfaction, was anything but an easy task. The conciliatory policy pursued by Mr. Cox had been very successful, and the towns along the Midland felt every confidence that the trust reposed in him would not be abused. If a railroad is to succeed, it must endeavour to please the public and adapt itself to their wants ; this had been the first feature of Mr. Cox's policy. A very pleasing feature of the present management was the fact that the shareholders in England had left it entirely to Canadians. There had been no fault-finding or criticism, nor was there any likelihood of any. From a Toronto point of view it was a great gain, giving as it did, near connections with eastern towns, and a share of the lumber trade. By next annual meeting he expected to see the business of the road doubled. He referred in complimentary terms to Mr. Hickson, Manager of the Grand Trunk, and Mr. Bell, Solicitor, both of whom were gentlemen of great experience and broad views, and their advice had been of great advantage in making arrangements for the towns served by those two lines. He expressed admiration for the ability of the President, and his close attention to business. To him, pre-eminently, was due the present success of the Midland, and he had reason to be proud of the result.

MR. DUNDAS, of Lindsay, referred to the valuable services of the employees of the road. The people were well served. In the management there were great promptness in train service, and freedom from accident. The men were loyal to their employers, and had confidence in the management, and instead of striking, when they felt they required an increase

in salary, they took a more prudent course, and their demands were acceded to. He wished to make special reference to the part of Mr. Cox's speech where he spoke of the town of Port Hope not opposing the amalgamation, as some other towns had done. It was hardly to be expected that the interior towns would look with complacency on what they supposed would shut them off from the competition they had given so much to obtain. Not knowing fully the character of the President, it was only natural that they should look with suspicion on the proposed combination. He was glad to say that these apprehensions had largely passed away, and now, instead of finding the new arrangements detrimental to local trade, they were enabled to enjoy better service. Lindsay was nearer Toronto, and instead of her trade being divided between three roads, she had only one, with much better service, cheaper rates, faster time, greater promptitude, and more accommodation. A number of those who had opposed the amalgamation at first would now be sorry to go back to the old system ; in fact, all were delighted.

Messrs. Hugel, L. Ross, C. L. Thomson, Manager of the Bank of Montreal, and the Mayor of Port Hope, spoke briefly, endorsing the sentiments of previous speakers.

The old Board of Directors were all re-elected. The usual resolutions were adopted, and the meeting adjourned.

TRAFFIC REPORT.

GENERAL TRAFFIC AGENT'S OFFICE,
PETERBOROUGH, March 1st, 1882.

GEO. A. COX, ESQ., President and General Manager, Midland
Railway of Canada :

SIR,—Herewith I beg to hand you classified statement of the earnings of the Midland Railway for the year ending December 31st, 1881; shewing a gross traffic of \$404,360.20, as compared with \$334,084.55 for 1880, being an increase of \$70,275.65; to which has to be added \$1,770.00, deducted from traffic on account of adjustments due the Whitby, Port Perry and Lindsay Railway, under the pool, thereby making the actual increase \$72,045.65.

The pool with the Whitby, Port Perry & Lindsay Railway was closed on December 31st, 1881, and during the two years and a half it was in operation, rates were maintained upon reasonable terms, without fluctuation, which resulted in increased earnings, whilst giving greater satisfaction to the manufacturer and shipper, than during the time of competition, when everyone suspected his neighbor of having a better rate than himself.

The closing figures of the pool showed the Midland Railway to have paid over to the Whitby, Port Perry & Lindsay Railway \$3,704.84 in adjustments during the time the pool was in force, but, undoubtedly, both railways benefitted by the arrangement outside of these adjustments.

The improvement anticipated in the last annual report, has been more than realized, and that in face of some unusual and unexpected drawbacks.

The train service was maintained throughout the year so as to give more efficient accommodation to the travelling public, which

resulted in an increase of 17 per cent. in passenger earnings, the additional number of passengers travelling being 9,557.

The harvest of 1881 was fully up to the average, which resulted in large increased shipments of barley and wheat, and it is gratifying to be able to report that a considerable quantity of both these cereals is still held in the country, which will materially assist towards increased earnings for 1882.

The manufacture of flour in this district has shown a declining tendency, owing to various causes, amongst which have been asserted the low rates from the Western States to the Canadian Markets, caused by the trunk lines rate war, and also by the customs regulations in regard to grinding in bond.

The lumber trade, notwithstanding the drawbacks mentioned above, fully equalled our expectations, the shipments having amounted to one hundred and four million feet, as against the estimate of one hundred million feet, and as compared with eighty-eight million feet for 1880; and the prospects for this year may be stated as follows:—With a good lumbering winter we should have had an increase of fully 33 per cent., or a shipment of one hundred and forty million feet, owing to improved prices, new mills, &c. But the winter has been somewhat against the lumber interest, especially so during November and December, and now again since the 21st February; therefore, unless the early spring be unusually favorable to lumbering operations, a good many logs will remain undrawn in the woods, so that although two new mills of large capacity have been erected on the line, together with several smaller ones at various points, I do not consider it would be safe, under the circumstances, to estimate for any large increase in lumber shipments during the present year; but all available supplies are nearly sure to be moved, and there is sufficient on hand, or safe to arrive, to exceed last year's shipments.

Shipments of square timber increased from 480,074 cubic feet in 1880, to 739,341 cubic feet in 1881, and were it not for the exceptional winter, we might expect the quantity moved in 1881 would

be fully doubled in 1882, but as matters stand we shall probably about hold our own in this commodity.

Our relations with connecting railways have changed very much since last report. Now we have only the Northern & North-Western Railway to deal with in regard to local trade, and an agreement for equal rates, fares, &c., with that company is being prepared and will no doubt be duly executed.

The Grand Junction Railway was handed over to the Midland Railway on the 1st June, after a sharp competition of a few months. Since it came into our possession its traffic continues steadily to improve, the road in one year having more than doubled its receipts.

On the 28th September, the Midland Elevator was ready for through trade, which at once sought our route in apparently unlimited quantities. However, as the line was not equipped with rolling stock calculated to handle a through trade, we were quickly compelled to refuse shipments, and our operations were confined, through want of cars, to the following:—30,000 bushels wheat, Duluth to Montreal; 200,000 bushels corn, Chicago to Europe and the Eastern States; 150,000 bushels corn, Chicago to Toronto; and about 100,000 bushels barley from our local territory to Chicago. The latter is a new and very profitable feature in the business.

It is customary in these reports to make some forecast of the current year's business, and, whilst owing to the amalgamation, it is more difficult to foresee the actual results, it is, however, extremely gratifying to feel well assured that a very marked and decided improvement is sure to be the result of this year's transactions.

The Midland Division is the richest one, and has hitherto had to feed outside lines in order to reach Toronto and the western cities of consumption; whereas now, it will carry the traffic on its own rails to Toronto, and its sources of supply continue to grow so rapidly, that it is difficult to estimate what the earnings of this particular portion of the road will be during 1882.

The Toronto & Nipissing Division has, during the past years,

averaged over \$200,000 per annum ; it will now receive an immense impetus from the traffic the Midland will pour over it, in addition to which, both the Midland and Toronto & Nipissing will gain largely in passenger travel, owing to the combination and the facilities that the widening of the gauge of the Toronto & Nipissing enables us to afford.

The Victoria Division earned \$33,500 in 1879; \$38,500 in 1880; and \$45,000 in 1881. The line is supported principally by lumbering operations, and its traffic, although on the increase, has been greatly retarded in the past through want of rolling stock and locomotive power. This is now obviated, and we may reasonably expect an improvement over the ratio of increase shewn above.

The Whitby, Port Perry & Lindsay Division has a settled and established local trade. The road runs through an excellent section of the country, and, whilst, I think, we need not look for any improvement on that Division, it may certainly be expected to maintain fully as much local trade as we have obtained from it in the past.

The Grand Junction Division is one of great promise. The traffic of the road has rapidly increased from week to week ever since it was opened, and had it been fully equipped with rolling stock last year, it could have added fifty per cent to the earnings it made.

The through trade was barely established last fall, and endeavors are now being made to obtain a Line of Passenger and Freight Steamboats to ply regularly between Midland and Duluth. If successful in this, they will add largely to our revenue, but even without them, we may anticipate very considerable new earnings from the sailing vessels we shall be able to charter between Chicago, &c., and Midland.

From the foregoing, I think it can be safely estimated that the combined system will show a very material increase during 1882 over the aggregated earnings of the various roads during 1881.

Yours respectfully,

A. WHITE,
General Traffic Agent.

*Classified Statement of Earnings for the Year ending
December 31st, 1881.*

GROSS EARNINGS.....\$404,360 20

FREIGHT EARNINGS.

Description of Freight.	Quantity.	Tons.	Amount Earned.		Increase over 1880.		Decrease under 1880.		Average Rate
			\$	c.	\$	c.	\$	c.	\$ c. m.
Lumber, Feet.....	104,461,000	130,580	135,510	16	17,720	76			1 03 7
Timber, Cubic Feet...	739,341	16,430	17,917	83	965	66			1 69 0
Shingles, Number....	63,318,000	9,040	9,533	89	2,450	86			1 05 4
Posts and Ties, Cars..	698	6,980	5,203	38	1,382	76			74 5
Coal, Tons.....	2,384	2,384	2,244	21	60	14			94 1
Wheat, Bushels.....	443,388	13,302	18,066	16	2,651	20			1 35 8
Other Grain, Bushels..	1,116,768	27,919	35,447	82	10,930	65			1 26 9
Flour, Barrels.....	25,351	2,535	3,821	24			1,574	23	1 50 7
Pork, Tons.....	107	107	177	46			10	62	1 65 8
Butter & Cheese, Tons	381	381	779	27			558	49	2 04 5
Live Stock, Cars.....	159	1,590	2,336	67	22	41			1 46 9
Salt, Tons.....	2,331	2,331	2,334	81	732	77			1 00 1
Brick & Plaster, Tons.	975	975	1,375	05	657	79			1 41 0
Iron, Tons.....	1,479	1,479	1,432	89	742	47			96 8
Firewood, Cords.....	370	530	419	64			308	89	79 1
Liquor, Gallons.....	135,321	677	1,791	18	152	29			2 64 5
Genl. Merchandise, tons	20,605	20,605	57,638	83	19,439	32			2 79 7
Total.....		237,845	296,030	49	57,925	08	2,452	23	1 24 4

PASSENGER EARNINGS.

	Aggregate Mileage.	Number of Passeng'rs.	Amount Earned.		Increase over 1880.		Mileage per Passenger	Average per passen-ger.
			\$	c.	\$	c.		c.
Passengers.....	4,098,607	126,111	99,546	79	14,547	84	32½	78

Mail Service for year.....\$8,782 92

A. WHITE,
General Traffic Agent.

ENGINEER'S REPORT.

PETERBOROUGH, December 31st, 1881.

To GEO. A. COX, ESQ., President.

SIR,—I beg to report as follows upon the construction and repairs on the Midland Railway for the year 1881 :—

MAINTENANCE AND RENEWAL OF LINE AND BUILDINGS.

TRACK LABOR—Pay Rolls and Train Service.....	\$38,419 22
TRACK SUPPLIES—Ties, Rails, Fastenings, &c.....	12,115 68
BRIDGES—Repairs, Renewals and Watchmen.....	2,140 35
CULVERTS—Repairs and Renewals.....	1,094 62
FENCES—Gates, Crossings and Cattleguards.....	2,495 66
BUILDINGS—Repairs.....	1,113 05
STATION GROUNDS—Wharves and Approaches.....	394 83
CLEARING SNOW—Additional Service.....	290 55
ENGINEERING—Salaries and Expenses.....	1,971 81
	\$60,035 77

The principal features of construction and repair in this year's expenditure is the relaying of 26.35 miles of the line with new steel rails, at a cost of \$98,643.30. The construction of 4.64 miles of additional siding accommodation at a cost of \$23,644.23. The improvement and extension of the Round-House, Work-shops, and property at Port Hope, at a cost of \$12,530. An expenditure of \$4,606.30 on new Freight Shed and grounds at Peterborough, and \$17,410.66 in ballasting and fencing.

A large and commodious Wharf and Elevator, with a capacity of 250,000 bushels, has been built at Midland, for service of vessels carrying grain. This wharf is nearly 900 feet long, and for more than half its length it is 100 feet wide. There is a depth of from 17 to 19 feet of water along the face of the wharf. A heavy cribwork of stone and cedar timber has been built in front of the Elevator, for the protection of its foundations from the pressure of the ice.

Yours respectfully,

T. A. HAY,

Engineer.

*Details of Capital Expenditure for the Year ending
December 31st, 1881.*

Special Works on Lines and Works open for Traffic.

SIDINGS.

Port Hope, New Sidings.....	\$1644	54
McBurney's, New Siding.....	839	04
Summit Siding.....	334	88
Millbrook, Tie Siding.....	378	12
Reaboro Siding.....	528	08
Cambray Siding.....	190	20
Oakwood Siding.....	1112.	04
Gamebridge Siding.....	290	64
Uptergrove, New Sidings.....	712	48
Orillia, New Sidings.....	1529	64
Hendren's Siding.....	751	50
Muskoka Sand Pit Siding.....	473	75
Coldwater Siding.....	212	79
Fesserton, New Sidings.....	834	55
Sturgeon Bay, Christie's Siding.....	914	67
Victoria Harbour, extension of No. 2 Siding....	161	50
Old Fort, New Siding.....	77	54
Midland, Expenditure on New Sidings.....	4745	54
Peterborough, Expenditure on New Sidings.....	4978	71
Peterborough, Chemong Railway.....	2538	57
Nassau Siding.....	345	30
Lakefield Water Siding.....	50	15
		<hr/>
	\$23644	23

PORT HOPE.

Expenditure on Buildings, Round House, &c....	\$1935	15
Workshops.....	2706	98
Beamish's Cribwork.....	108	50
New Station Grounds.....	7779	88
		<hr/>
	\$12530	51

LINDSAY.

Expenditure on New Works.....	\$779	83
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CAMBRAY, BRECHIN, SCHEPELER, UPTERGROVE, ATH-

ERLY, ORILLIA, UHTHOFF, COLDWATER, WAUBAU- SHENE, VICTORIA HARBOUR and OLD FORT, on account of New Stations.....	\$1859 48
--	-----------

MIDLAND.

Elevator	\$23824 72
Wharf.....	21409 83
New Station, Grounds and Warehouse.....	10549 99
Skidway	152 64
	\$55937 18

PETERBOROUGH.

New Station, Fence, &c.....	\$ 243 78
Extra Station Grounds	3500 00
Engine House.....	131 43
New Freight Shed.....	731 09
	\$4606 30

LAKEFIELD.

New Station.....	\$638 64
Ballasting	\$10750 64
New Steel Rails and Fastenings and Laying do....	98643 30
New Fencing	6559 92
Right of Way.....	911 14
Haggas' Water System.....	1118 37
Extra Renewals in Ties.....	2563 13
Semaphores	253 21
Omeme and Peterborough Connection	1958 18
Georgian Bay Extension.....	1886 47
	\$224640 63

By Insurance received for Millbrook Tank House...\$	400 00
“ “ “ Orillia Engine House.....	50 00
“ One-half expenses of Lindsay Junction Station and Platform, charged to Whitby, Port Perry and Lindsay Railway	175 40
	\$625 40
	\$224015 23

Statement, shewing the Number, Condition, Mileage, and Description of all Bridges, and Cost of Renewal and Repair, for the Year ending December 31st, 1881.

Number.	Distance from Port Hope	Name of Stream or Crossing.	Length.	Style.	Description.	Condition.	Cost of Repairs, Including Watchman's Wages.
MAIN LINE.							
1	4	Smith's Creek	66	Iron Lat. Truss		In Good Order	\$ 28 00
2	1	" "	94	" "		" "	6 70
3	21	" "	66	" "		" "	52 89
4	44	Ford's Crossing	60	Trestle.	Underpass.	Slight Repairs Required	76 42
5	5	" Creek	93	" "	" "	" "	
6	7½	Boyle's Crossing	75	" "	" "	" "	
7	9	Campbell's Creek	120	" "	" "	In Fair Order	10 74
9	12½	Byer's Crossing	60	" "	" "	" "	
10	19½	Hunter's Crossing	93	" "	" "	" "	32 55
11	19½	Williamson's Crossing	75	" "	Overhead.	" "	
12	20½	Argue's Crossing	75	" "	" "	" "	
13	21½	Kelly's Crossing	60	" "	Underpass.	" "	29 53
15	23	Manver's Creek	700	" "	" "	Slight Repairs Required	127 35
16	23	Scott's Crossing	123	" "	" "	" "	6 35
18	27	Scott's Creek	60	" "	" "	In Good Order	
19	28½	Road Crossing	75	" "	Overhead.	" "	
20	29½	Road Creek	50	" "	" "	" "	
21	31½	Toole's Creek	50	" "	" "	Slight Repairs Required	
22	32½	Cottingham's Creek	100	" "	" "	" "	14 50
23	37	Kelly's Creek	60	" "	" "	In Fair Order	19 00
24	38	Wray's Crossing	54	" "	Underpass.	In Good Order	23 62
25	40½	Wray's Creek	50	" "	" "	" "	14 53
26	42½	Sengog River	600	" "	" "	Repaired and Renewed	722 84
		" "	110	Truss.	" "	In Fair Order	
		" "	167	Swing.	" "	" "	
28	45½	Wilcox's Crossing	36	Trestle.	" "	In Fair Order	

29	46	Barclay's Crossing	80	"	Overhead.	Good Order	27 25
30	46½	Barclay's Crossing	80	"	"	"	92 56
31	46½	Con. Line Crossing	80	"	"	"	16 00
32	46½	Bryson's Crossing	60	"	Underpass.	"	
33	47½	Hodgson's Creek	40	"	"	"	86 24
34	48½	Road Crossing	40	"	"	"	9 75
35	58	Curry's Creek	40	"	"	"	40 87
36	65½	White's Creek	405	"	"	Slight Repairs Required	11 00
37	66	Cameron's Creek	105	"	"	"	8 25
38	66½	Cameron's Creek	315	"	"	"	23 25
39	67½	Talbot River	122	"	"	Good Order	22 66
40	82½	The Narrows	846	"	"	"	
		"	137	"	"	"	
		"	52	"	"	"	
41	89½	Morris' Crossing	60	"	"	Good Order	225 79
42	90	Silver Creek	51	"	"	Slight Repairs Required	24 75
43	92	North River	51	"	"	"	
44	101	Coldwater River	109	"	"	In Fair Order	
45	101½	Secopot Creek	25	"	"	"	
46	106½	Sturgeon River	55	"	"	Slight Repairs Required	10 80
47	107	Sturgeon Bay Marsh	14	"	"	"	
48	110½	Hog River	55	"	"	In Good Order	17 00
49	111½	Hog Bay Marsh	60	"	"	"	
50	114	Wye River	355	"	"	"	
51	114	Old Fort	40	"	"	"	
BRANCH.							
A	19½	Road Crossing	30	"	"	Repairs Required	125 20
B	25	Moffatt's Creek	50	"	"	"	
C	31	Dickson's Creek	150	"	"	"	
D	32½	Ononabee River	325	"	"	Requires Rebuilding	49 53
E	38½	Sawyer's Creek	45	"	"	In Fair Order	5 35
Bridges in General, Supervision, Tools, & Plant.							
							179 08

T. A. HAY,
Engineer.

Characteristics of Railway, 1881. Engineer's Department.

<i>Length of Track:</i>	<i>Miles.</i>
Main Line	120.94
Lakefield Branch	22.71
Sidings	28.00
Total Miles of Track	171.65

Total length of Track laid with Iron Rails.....	53.00
Total length of Track laid with T Steel Rails.....	90.65
Total Miles of Main Track.....	143.65

Guage of Line.....	4 ft., 8½ ins.
Average weight of Rail per yard	56 lbs.
Radius of Sharpest Curve.....	1430 ft.
Number of feet per mile of Heavy Gradient effecting traffic.....	.65 ft.
Nature of Rail Joint Fastenings	Fish Plates
Number of Overhead Bridges	6
Number of Ties per mile.....	2,112
Height of Overhead Bridges above Rail	21½ ft.

Number of Level Railway Crossings:—3, viz:—

- The Victoria Railway, at Lindsay.
- The Toronto & Nipissing Railway, at Woodville.
- The Northern Railway, at Orillia.

Number of Overhead Railway Crossings:—2, viz:—

- The Cobourg and Peterborough Railway, at Peterborough.
- The Grand Trunk Railway, at Port Hope.

Number of Junctions with other Lines:—5, viz:—

- The Grand Trunk Railway, at Port Hope.
- The Victoria Railway, at Lindsay.
- The Whitby, Port Perry & Lindsay Railway, at Lindsay.
- The Toronto & Nipissing Railway, at Woodville.
- The Grand Junction Railway, at Peterborough.

Number of Junctions with Branch Lines :—1, viz :—

Branch to Lakefield, at Millbrook.

Number of Telegraph Stations :—25, viz :—

Port Hope, 3; Garden Hill, 1; Millbrook, 1; Bethany, 1; Franklin, 1; Omemee, 1; Lindsay, 2; Cambray, 1; Woodville, 1; Beaverton, 1; Brechin, 1; Uptergrove, 1; Orillia, 1; Uhthoff, 1; Waubaushene, 1; Coldwater, 1; Victoria Harbor, 1; Midland, 1; Peterborough, 3; Lakefield, 1.

Number of Flag Stations :—19, viz :—

Quay's, McBurney's, Perrytown, Summit, Brunswick, Reaboro, Oakwood, Gamebridge, Schepeler, Atherley, Couchiching, Silver Creek, Satterthwaite, Alma, Fesserton, Sturgeon Bay, Old Fort, Frazerville and Nassau.

Number of Engine Houses :—7, viz :—

Port Hope, Lindsay, Beaverton, Orillia, Waubaushene, Midland and Peterborough.

Number of Repair Shops :—5, viz :—

1 Machine Shop, at Port Hope.
1 Blacksmith Shop, at Port Hope.
2 Carpenter Shops, at Port Hope.
1 Car Repair Shop, at Port Hope.

Number of Tool Houses :—20, viz :—

1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 16, 17, 23, 25, A, B, C, D.

Number of Turntables :—9, viz :—

Port Hope, Millbrook, Lindsay, Woodville, Orillia, Waubaushene, Midland, Peterborough and Lakefield.

Number of Elevated Water Tanks :—10, viz :—

Port Hope, 7; Lindsay, 1; Midland, 1; Peterborough, 1.

Number of Haggas' Water Tanks :—18, viz :—

Port Hope, 1; Garden Hill, 1; Millbrook, 3; M., 18, 1; M., 32-1; Lindsay, 1; M., 50 $\frac{1}{4}$ -1; M., 68-1; M., 75-1; Orillia, 1; M., 94-1; Waubaushene, 1; Midland, 1; M., 27, (branch) 1; Peterborough, 1; Lakefield, 1.

- Number of Weigh Scales* :—1, at Port Hope.
- Number of Combined Stations and Dwellings* :—6, viz :—
Garden Hill, Oakwood, Woodville, Gamebridge, Brechin, Uptergrove.
- Number of Employees Houses* :—7, viz :—
Section No. 3, 1; Lindsay, 2; Beaverton, 1; North River, 1;
Uthoff, 1; Waubaushene, 1.
- Number of Grain Warehouses* :—9, viz :—
Port Hope, 30 x 90; Millbrook, 30 x 120; Bethany, 30 x 90; Cam-
bray, 50 x 100; 2 at Woodville, 30 x 90 and 30 x 50; Beaverton,
30 x 90; Brechin, 30 x 90; Midland, 30 x 50.
- Number of Freight Houses 100 feet and over* :—4, viz :—
1 at G. T. R. Junction, Port Hope; Lindsay, 30 x 130; Cambray,
30 x 115; Peterborough, 30 x 120.
- Number of Freight Houses under 100 feet long* :—5, viz :—
Port Hope, Millbrook, Omeme, Lindsay, Waubaushene.
- Number of Combined Stations and Freight Houses* :—6, viz :—
Garden Hill, Millbrook, Bethany, Franklin, Orillia and Lakefield.
- Number of Combined Stations, Freight and Grain Warehouses* :—2, viz :—
Uptergrove and Atherley.
- Number of Round Houses* :—1, viz :—At Port Hope, 24 stalls.
- Number of Company's Wharves* :—5, viz :—
2 at Lindsay, 1 at Beaverton, 1 at Orillia, and 1 at Waubaushene.
- Number of Sections* :—30, viz :—Main Line, 25; Branch, 5.

MILEAGE OF SIDINGS.

Total length of Sidings, December 31, 1881	147,791 ft. or 28.00 miles
Length of Sidings, December 31, 1880	23.36 miles
Total additions during 1881	4.64 miles

T. A. HAY,
Engineer.

AUDITORS' CERTIFICATE.

MIDLAND RAILWAY OF CANADA,

PORT HOPE, March 14th, 1882.

GEO. A. COX, ESQ., President:

DEAR SIR,—The accounts of the Midland Railway Company, for the year ending December 31st, 1881, having now been audited, we are enabled to certify that the books of the Company have been correctly kept, and the various statements, as submitted, properly prepared therefrom.

The Inventories of Materials on hand in the various Departments agree with the amounts as shown in the accounts.

Yours truly,

(Signed) H. W. WALKER,
JOHN PATERSON, } Auditors.

No. 1.—Receipts and Expenditures on Capital Account up to December 31st, 1881.

<i>Dr.</i>	Amount Expended to Dec. 31st 1880.	Amount Expended in Year 1881.	Total December 31st, 1881.	
	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Sterling.</i>
To Line and Works open for Traffic.....	4,400,347 75	224,666 73	4,685,014 48	962,674 4 2
“ Rolling Stock.....	440,989 05	33,537 61	474,526 66	97,505 9 7
	4,901,336 80	258,304 34	5,159,541 14	1,060,179 13 9
<i>Cr.</i>	Amount Received to Dec. 31st, 1880.	Amount Received in Year 1881.	Total December 31st, 1881.	
	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>	<i>Sterling.</i>
By Consolidated First Mortgage Bonds.....	2,186,788 00	3,406 06	2,190,194 06	450,040 0 0
“ Share Capital.....	1,946,666 67		1,946,666 67	400,000 0 0
“ Balance.....	4,133,454 67	3,406 66	4,136,861 33	850,040 0 0
	767,882 13		1,022,679 81	210,139 13 9
	4,901,336 80		5,159,541 14	1,060,179 13 9

H. W. WALKER, } Auditors.
JNO. PATERSON, }

H. READ,
Secretary.

No. 2.—Revenue Account for the Year ending December 31st, 1881.

1880 Sterling.	EXPENDITURES.	1881 Dollars	1881 Sterling.	Comparative percentage on Traffic Receipts.		1880 Sterling.	RECEIPTS.	1881 Dollars.	1881 Sterling.
				1880	1881				
12,969 3 6	To Maintenance Linc and Buildings	60,035 7	12,336 2 4	18.94	14.85	17,22 4 6	By Passenger Receipts	90,546 79	20,454 16 5
2,967 8 10	" Do Rolling Stock & Machinery	17,754 70	3,643 4 6	4.32	4.40	48,164 7 3	" Freight and Express Earnings	280,547 51	50,496 1 5
12,063 17 8	" Train Service ..	81,290 98	16,703 12 6	18.84	20.10	1,762 3 8	" Mail Service.	8,782 62	1,804 14 3
5,227 0 2	" Traffic Charges ..	33,422 59	6,867 13 2	7.61	8.26	700 14 7	" Earnings from other Sources	6,482 95	1,332 2 2
4,200 13 1	" General Charges ..	31,094 85	6,389 7 1	6.12	7.69				
38,328 3 3									
30,319 6 11	" Net Revenue Account No. 3.	180,761 31	37,142 14 8	44.17	44.70				
68,647 10 2		404,360 20	83,087 14 3	100.00	100.00	68,617 10 2		404,360 20	83,087 14 3

(Signed.)

H. W. WALKER,
JOHN PATERSON, } Auditors.

(Signed)

H. HEAD,
Secretary.

Secretary.

JNO. PATERSON, J

No. 3.—*Net Revenue Account for Year ending December 31st, 1881.*

	1881 Dollars.	1881 Sterling.		1881 Dollars.	1881 Sterling.
To Coupons on Consolidated First Mortgage Bonds, maturing 1881					
“ Less Coupons on Bonds still held by Company (unsold) ..					
“ Interest on Deferred Interest Certificates	109,509 73	22,562 0 0			
“ Preferential Liens	6,833 71	1,404 3 9			
“ Cost of Carrying Floating Debt	8,843 50	1,817 3 2			
“ Profit and Loss (Transfer)	52,503 16	10,788 6 5			
	3,071 21	631 1 4			
	180,761 31	37,142 14 8			
			By Transfer from Revenue Account No. 2	180,761 31	37,142 14 8

(Signed,)

H. W. WALKER, } *Auditors.*
JOHN PATERSON, }

(Signed,)

H. READ,
Secretary.

No. 4.—General Balance Sheet, December 31st, 1881.

1880 Sterling.	1881 Dollars.	1881 Sterling.	1880 Sterling.	1881 Dollars.	1880 Sterling.	1881 Sterling.	1881 Dollars.	1881 Sterling.
115,451 13 7	To Bills Payable and Acc'ts due by Company	1 006,378 10 246,851 13 4	137,784 0 0	By Capital Account per Account No. 1	1,922,679 81 210 133 13 9			
31,375 0 0	" Unpaid Coupon Account and Deferred Interest Certificates	165,115 85	11,071 4 5	" Onlay on New Rolling Stock			42,183 31	
	" Profit and Loss	2,371 86	5,885 9 0	" General Stores on hand			105,213 83	8,607 16 2
			1,716 2 11	" Cash and Outstanding Accounts			2,617 58	21,619 5 7
				" Fort Hope Station Grounds			1,741 25	514 0 6
				" Consolidation Expenses				337 15 10
179,826 13 7		1,174,165 81 241,328 11 10	179,826 13 7				1,174,165 81 241,328 11 10	

(Signed.)

H. W. WALKER, } Auditors.
JOHN PATERSON, }

(Signed.)

H. READ,
Secretary.

Details of Revenue Expenditure for the Year 1881.

MAINTENANCE LINE AND BUILDINGS:—

Track, Labour and Tools.....	\$38419 22
Track Supplies of all kinds.....	12115 68
Repairs, Bridges and Culverts.....	3240 33
Repairs Fences, Gates, Crossings, &c.....	2495 66
Repairs and Renewals of Buildings.....	1107 69
Station Grounds, Wharves and Approaches.....	394 83
Clearing Snow.....	290 55
Engineering Superintendence.....	1971 81
Total.....	\$60035 77

MAINTENANCE ROLLING STOCK AND MACHINERY:—

Repairs Locomotive Engines and Tenders.....	\$ 2682 39
Repairs Passenger and other Cars.....	9918 34
Repairs Tanks and Pumping Machinery.....	80 06
Tools and Shop Machinery.....	3730 57
Superintendence.....	1343 34
Total.....	\$17754 70

TRAIN SERVICE:—

Wages of Enginemen, Firemen and Cleaners.....	} 39541 50
Wages of Conductors and other Train Hands.....	
Fuel used by Locomotives.....	34772 00
Oil, Tallow, Waste, &c., for Locomotives.....	1872 70
Water Service and Pumps.....	220 67
Train Supplies.....	2891 36
Superintendence.....	1992 75
Total.....	\$81290 98

TRAFFIC CHARGES:—

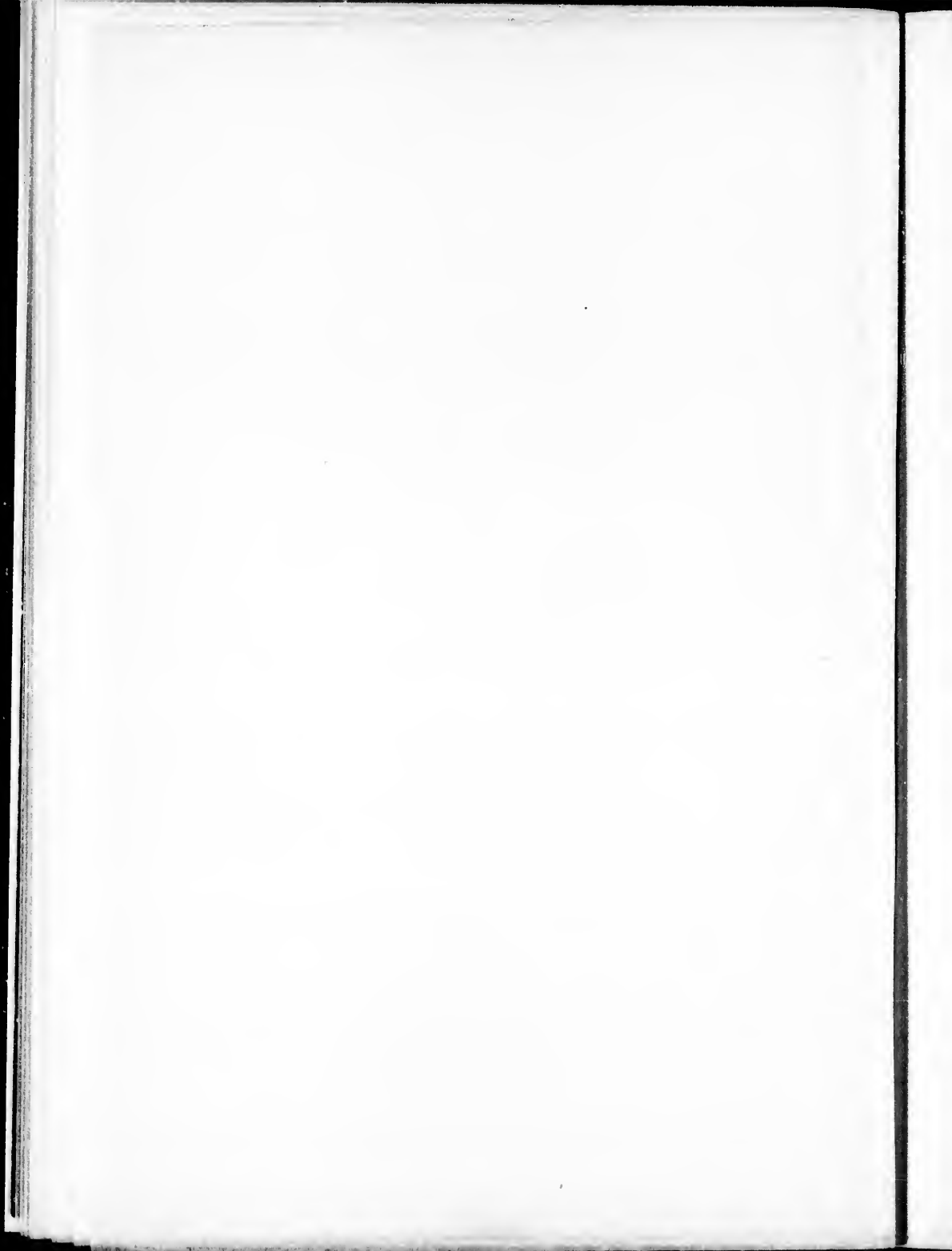
Wages for Station Service.....	\$21125 53
Station Supplies of all kinds.....	2879 86
Advertising and Stationery.....	3308 34
Loss, Damage and Accident.....	1052 95
Superintendence and Inspection.....	5055 91
Total.....	\$33422 59

GENERAL CHARGES :

London Expenses	\$ 5913 48
Officers' Salaries	9299 71
Directors' Remuneration and Expense Account	5143 31
Office Expenses	219 12
Postage and Telegraph	818 95
Travelling Expenses	559 23
Interest and Discount	168 74
Legal Expenses	1020 79
Insurance	2400 00
Parliamentary Expenses	1166 85
Taxes and Rents Payable	4384 67
Total	<u>\$31094 85</u>

General Stores on Hand and Insurance, December 31st, 1881.

Engineer's Material	\$19799 28
Superintendent's Material	7360 86
Wood Account	4299 28
Stationery	1828 41
Insurance	8895 51
Total	<u>\$42183 34</u>



MECHANICAL DEPARTMENT.

PETERBOROUGH, March 1st, 1882.

To GEO. A. COX, ESQ., President of the Midland Railway, of Canada.

SIR,—Below please find statement shewing amount and condition of Rolling Stock of the Midland Railway, on December 31st, 1881:—

Condition of Engines on the Midland Division.

No. of Engine.	REMARKS.
1	In shop for repairs.
2	In fair working order.
3	In fair working order.
4	In want of repairs.
5	In want of repairs.
6	In good working order.
7	In shop for repairs.
8	In fair working order.
9	In fair working order.
10	In good working order.
11	In fair working order.
12	In good working order.
13	In good working order. The property of the Midland Rolling Stock Company, (Limited.)
14	In good working order.
15	In good working order.
16	In good working order.

RESUME.

In good working order.....	7
In fair working order.....	5
In want of repairs.....	2
In shop for repairs.....	2
Total.....	16

W. B. FERGUSON, *Superintendent.*

Statement Shewing the Number and Condition of Car Stock, December 31st, 1881.
MECHANICAL DEPARTMENT.

Description.	1880	1881	REMARKS.
Passenger Cars	12	12	6—In good order. 3—In fair order, and 3 should be condemned.
Official Car	1	In good order. The property of the Midland Rolling Stock Company, (Limited.)
Excursion Cars.....	2	2	1—In good order. 1—Condemned.
Baggage, Mail and Express Cars	7	7	6—In good condition. 1—Condemned.
Mail Smoking Cars (Combinat'n)	2	2	In good order.
Mail Smoking Cars (Combinat'n)	..	2	Now under construction in Company's Shops.
Conductor's Vans.....	5	9	In good condition. 3 new, and property of the Midland Rolling Stock Company, (Limited.) 1 built at Company's Shops.
Box Cars	121	131	10 of these built at Cobourg, and the property of the Midland Rolling Stock Company, (Limited.) 30 in want of repairs.
Platform Cars	346	449	70 of these new, and the property of the Midland Rolling Stock Company, (Limited.) 302 in good order. Balance undergoing repairs.
Auxiliary Car.....	1	1	In good order, equipped with the necessary appliances for immediate use.
Snow Scraper.....	1	1	In good order.
Snow Plough.....	1	1	In good order.

W. B. FERGUSON,
Superintendent.

MECHANICAL DEPARTMENT.

Statement Showing the Number of Miles Run, Cost of Repairs, and Cost per Mile run of Cars, for the Year ending 31st December, 1881.

1881		MILEAGE.				
Months.	Passenger	Baggage.	Box.	Platform.	Service.	Totals.
January	19,800	19,277	32,985	31,682	10,397	113,251
February	18,373	17,710	30,586	39,684	9,137	113,490
March	23,624	15,745	41,402	57,485	9,825	148,880
April	21,007	16,013	39,818	142,443	13,112	235,993
May	27,147	18,848	41,372	292,725	18,891	398,986
June	25,428	16,625	50,822	389,196	26,731	479,775
July	26,185	16,287	43,513	299,217	22,777	389,279
August	29,438	17,790	53,565	298,388	20,351	409,382
September	27,989	16,866	77,400	264,198	21,794	408,247
October	20,597	17,694	117,626	242,891	26,142	430,960
November	24,949	17,463	86,741	290,587	22,416	352,156
December	25,830	14,968	55,894	99,166	17,073	212,931
	298,266	205,106	670,774	2,299,632	218,652	3,692,430

1881		REPAIRS OF CARS.				
Months.	Passenger	Baggage.	Box.	Platform.	Service.	Totals.
January	\$285 39	\$109 40	\$251 87	\$379 42	\$ 71 55	\$1067 63
February	514 20	7 69	133 96	245 34	347 08	1242 27
March	214 53	71 65	152 49	545 44	84 62	1068 73
April	199 45	19 43	225 59	444 37	144 77	1024 61
May	115 82	25 75	164 37	411 02	20 67	737 63
June	115 86	40 00	147 60	629 89	60 96	994 31
July	101 36	43 94	99 89	462 65	16 68	868 52
August	257 25	132 53	216 00	614 18	69 86	1289 82
September	116 93	0 42	348 68	672 59	8 53	1146 95
October	175 44	45 25	320 90	356 60	61 51	959 79
November	193 82	83 83	377 85	627 67	117 52	1100 69
December	448 51	51 12	821 39	1136 68	29 81	2487 51
	\$2738 56	\$622 01	\$3260 50	\$6525 74	\$1177 56	\$14324 46

Cost per Mile Run in Cents.

Passenger	Cents.
Baggage	0.91
Box	0.30
Platform	0.48
Service	0.20
	0.53
Total	0.38

Certified,

W. B. FERGUSON,
Superintendent.

Performance of Locomotive Engines, and Cost per Mile Run,
for the Year Ending 31st December, 1881.

MILEAGE.						
Months.	Passenger	Freight.	Wood.	Construc- tion.	Switching.	Total.
January	20,161	3,932	575		2,350	27,438
February	19,420	2,216	1,275	100	2,375	25,416
March	20,676	2,730	850	170	2,675	27,401
April	25,817	2,338	1,175	1,795	2,600	31,025
May	20,110	18,474	300	3,350	4,235	46,469
June	20,518	26,253	280	675	3,511	51,277
July	20,488	19,765		2,125	4,310	46,668
August	18,369	25,533	680	1,380	2,735	48,697
September	19,915	21,101	120	935	3,850	45,921
October	20,371	21,319	300	709	5,687	51,380
November	20,825	20,697	875	1,190	5,680	49,667
December	21,311	11,196	275	2,075	2,775	37,632
Totals	217,961	181,004	7,005	14,785	42,823	493,591

REPAIRS OF ENGINES.				STORES CONSUMED.					
Months.	Labor	Materials.	Total for Repairs.	Pints of Oil.	Pounds of Tallow	Pounds of Waste.	Quarts of Oil.	Cost of other Stores.	Total cost of Stores.
January	\$185 62	\$241 01	\$ 426 63	1094	522	235	118	\$ 83 84	\$ 168 95
February	701 29	666 17	1370 46	962	332	209	122	5 35	89 36
March	366 03	570 31	936 34	1116	398	271	158	1 52	102 28
April	350 92	315 82	666 74	1138	670	392	104	17 55	124 05
May	213 20	291 93	505 13	1831	1068	353	171		155 11
June	418 08	395 15	813 23	1874	1098	356	203	41 30	207 46
July	352 11	296 78	649 22	1998	1120	508	174	2 20	167 07
August	199 72	219 35	410 07	1888	1032	330	178	3 82	161 52
September	519 10	936 10	1515 50	1911	1034	421	292	8 15	173 26
October	218 04	178 69	396 73	2182	1016	377	328	10 39	179 32
November	181 43	292 70	474 13	1036	1070	379	291	29 38	197 33
December	252 87	151 81	404 68	1176	796	327	308	8 93	143 39
Totals	\$1012 71	\$1019 15	\$2031 89	19112	10316	4160	2360	\$ 212 45	\$ 1872 70

FUEL CONSUMED.			Wages of Engineer, Fireman, and Wiper.	Total cost of Engine.	No. of Miles Run to One Cord of Wood.	No. of Miles Run to One Pint of Oil and One Pound of Tallow.
Months.	Cords of Wood.	Total cost of Fuel.				
January	637	\$ 1274 00	\$ 1012 51	\$ 2912 09	424	164
February	579	1110 00	960 91	3590 73	414	174
March	651	1953 00	1061 33	4 55 95	43	158
April	795	2385 00	1319 10	4521 89	423	189
May	1095	3285 00	1854 68	5802 92	424	164
June	1230	3690 00	1948 62	6689 31	414	174
July	1120	3360 00	1857 15	6034 04	413	15
August	1155	3165 00	1903 71	5943 33	424	164
September	1273	3819 00	1800 01	7307 97	384	164
October	1271	3413 00	2022 14	6111 19	404	16
November	1300	3900 00	1871 47	6112 93	374	16
December	896	2688 00	1516 47	5052 57	424	164
Totals	11893	34772 00	\$19161 13	\$64767 92	414	164

MECHANICAL DEPARTMENT.

COST PER MILE IN CENTS.					
Months.	Repairs.	Stores.	Fuel.	Cost per Mile for Engineer, Fireman, and Wiper.	Total cost per Mile run.
January	1.58	0.62	4.71	3.86	10.77
February	5.39	0.35	4.49	3.78	14.01
March	3.42	0.37	7.13	3.88	14.80
April	2.05	0.36	7.01	3.87	13.29
May	1.09	0.33	7.07	3.99	12.48
June	1.64	0.40	7.20	3.80	13.04
July	1.39	0.36	7.19	3.98	12.92
August	0.84	0.33	7.12	3.91	12.20
September	3.10	0.35	7.80	3.68	14.93
October	0.83	0.35	7.42	3.93	12.53
November	0.98	0.41	8.02	3.82	13.23
December	1.87	0.38	7.14	4.03	13.42
Totals	1.82	0.38	7.04	3.88	13.12

Recapitulation.

Total Miles Run on Passenger Trains	217,961
Total Miles Run on Freight Trains	181,001
Total Miles Run on Wood Trains	7,005
Total Miles Run on Construction Trains	14,795
Total Miles Run on Switching	42,823
Total	493,585

Number of Miles Run to One Pint of Oil and One Pound of Tallow ..	16½
Number of Miles Run to one Cord of Wood	41½
Total Pints of Engine Oil used	19,412
Total Pounds of Tallow used	10,316
Total Pounds of Waste used	4,160
Total Quarts of Lamp Oil used	2,360
Total Cords of Wood used	11,993

Cost per Mile Run for Repairs	01.82
Cost per Mile Run for Stores	00.38
Cost per Mile Run for Fuel	07.04
Cost per Mile Run for Engineer, Fireman and Wiper	03.88
Total Cost per Mile Run	13.12

Certified,

W. B. FERGUSON,
Superintendent.

SUPERINTENDENT'S OFFICE,

PETERBOROUGH, March 1st, 1882.

To GEO. A. COX, ESQ., President and Managing Director, Midland Railway of Canada.

SIR,—Allow me to submit to you the following report, namely :

During the year ending 31st December, 1881, there has been added to the Rolling Stock of the Midland Railway, and built at the Company's shops, Port Hope, thirty new Platform Cars, at a cost of \$14,250. One new Conductor's Van, at a cost of \$699.35.

We have under contract and purchase from the Midland Rolling Stock Company, (Limited,) four Locomotives, one Official Car, two Combination Cars, seventy Platform Cars, three Conductor's Vans, and ten Box Cars, upon which has been paid \$14,287.89.

In addition to the above, thirty-nine new bodies to Platform Cars have been constructed at the Company's shops, at a cost of \$4869.25, and have been in use for some months.

With the above additions to our Rolling Stock, and the other Locomotives and Cars now under contract, I think we shall be fully able to meet the anticipated increased requirements of the coming season's business.

W. B. FERGUSON,

Superintendent.

AUDITOR'S REPORT.

MONTREAL, March 17th, 1882.

GEORGE A. COX, ESQ., President, Midland Railway Company:—

DEAR SIR,—I now have the pleasure to enclose a comparative statement of revenue account from 1872 to 1881 inclusive, with the number of passengers and tons of freight carried, and the rate of receipts and expenses per mile of road, and per train mile run.

It will be observed that there is again a very large increase in passenger and freight earnings; both being much larger than in any previous year of the Company's history.

The total receipts for the year 1881 show an increase over 1880 of \$70,275.65, or 21 per cent.; being an increase of 56 per cent. on the earnings of 1879.

The percentage of working expenses upon the receipts, 55.30, per cent. is lower than in any other of the periods mentioned; the expense per train mile remaining at the very low figure of 52c.

Separating the working charges from repairs, a comparison of the past four years would show as under:—

	1878.	1879.	1880.	1881.
Repairs and Renewals.....	35.54	46.88	23.26	19.24
Working Charges.....	40.15	38.63	32.57	36.06
Total.....	75.69	85.51	55.83	55.30

By a reference to the net revenue account, it will be seen that the earnings of the road have provided the entire interest on the bond and floating debt; a balance remaining to the credit of profit and loss account.

Yours truly,

H. W. WALKER.

Revenue Account. Years 1872 to 1881.

EXPENDITURE.	1872	1873	1874	1875	1876
	(89 Miles.)	(109 Miles.)	(109 Miles.)	(109 Miles.)	(129 Miles.)
	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
Maintenance, &c	64,315 83	55,608 88	64,151 74	60,001 72	65,191 58
do Locomotives, &c.	23,593 14	26,630 26	12,331 30	15,133 62	10,729 31
Operating Expenses....	64,804 07	77,285 38	80,066 16	82,453 71	75,866 19
General Charges	20,549 43	20,651 33	21,202 67	21,632 73	21,545 30
	173,292 47	180,175 90	177,751 87	179,221 81	173,325 38
Balance	131,040 75	137,983 98	125,850 69	105,101 03	99,619 58
	304,333 22	318,159 88	303,602 56	284,322 84	272,954 96
EXPENSES.					
Per Cent. on Receipts...	56 91	56 63	58 54	63 03	63 50
Per Mile of Road.....	\$1,947 10	\$1,653 00	\$1,630 74	\$1,611 24	\$1,343 68
Per Train Mile.....	0 74	0 65	0 73	0 82	0 80

EXPENDITURE.	1877	1878	1879	1880	1881
	(129 Miles.)	(129 Miles.)	(143 Miles.)	(143 Miles.)	(143 Miles.)
	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
Maintenance, &c.....	58,674 31	71,112 67	95,071 45	63,262 66	60,035 77
do Locomotives, &c.	15,479 80	14,268 07	26,489 27	14,411 55	17,754 70
Operating Expenses ...	78,416 15	78,286 40	82,398 70	88,383 02	114,713 57
General Charges	15,427 71	21,642 24	17,723 25	20,443 18	31,094 85
	168,028 00	188,339 38	221,685 67	186,530 41	223,598 89
Balance	95,606 30	60,489 52	37,541 10	147,551 14	180,761 31
	263,634 30	248,828 90	259,226 77	334,084 55	404,360 20
EXPENSES.					
Per Cent. on Receipts...	63 73	75 69	85 51	55 83	55 30
Per Mile of Road	\$1,302 51	\$1,460 00	\$1,550 21	\$1,304 40	\$1,563 62
Per Train Mile.....	0 69	0 74	0 80	0 52	0 52

Revenue Account—Continued.

RECEIPTS.	1872	1873	1874	1875	1876
	(89 Miles.)	(109 Miles.)	(109 Miles.)	(109 Miles.)	(129 Miles.)
	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
Passengers	65,363 53	80,189 56	81,957 16	79,554 55	81,759 16
Merchandise	232,862 75	231,036 00	211,866 28	198,004 12	181,337 00
Mails	5,913 48	6,634 32	6,779 12	6,764 17	6,858 80
Other Sources	193 46				
	304,333 22	318,159 88	303,602 56	284,322 84	272,954 96
RECEIPTS.					
No. of Passengers	85,237½	106,264	114,951	108,827	112,300
Tons of Freight	197,061½	161,068	136,376	131,574	128,987
Per Mile of Road	\$3,119 47	\$2,918 90	\$2,785 34	\$2,668 46	\$2,115 93
Per Train Mile	1 29	1 15	1 25	1 30	1 26
No. of Train Miles Run	235,616	275,390	241,338	217,505	216,160

RECEIPTS.	1877	1878	1879	1880	1881
	(129 Miles.)	(129 Miles.)	(143 Miles.)	(143 Miles.)	(143 Miles.)
	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
Passengers	84,202 96	76,007 03	75,820 97	83,805 13	99,516 79
Merchandise	171,138 90	165,068 96	174,426 18	238,293 23	289,547 51
Mails	7,737 36	7,407 04	7,837 90	8,575 97	8,782 92
Other Sources	555 08	345 87	1,141 72	3,410 22	6,182 95
	263,634 30	248,828 90	259,236 77	334,084 55	401,360 20
RECEIPTS.					
No. of Passengers.....	127,268	113,918	116,857	116,554	126,111
Tons of Freight.....	133,405	123,106	137,515	292,095	256,442
Per Mile of Road.....	\$2,013 67	\$1,928 90	\$1,812 77	\$2,336 25	\$2,827 68
Per Train Mile	1 09	0 98	0 94	0 94	0 94
No. of Train Miles Run	241,378	254,656	275,547	356,588	428,968

MIDLAND RAILWAY OF CANADA.

GENERAL MANAGER'S OFFICE,
PETERBOROUGH, May 16th, 1882

Appendix.

Enclosed with this report will be found a new map of the Midland Railway, and the extensions proposed or under construction, and also including the Ontario Sault Ste. Marie Railway. The plain red line indicates the Midland Railway as already constructed and in operation. The line shaded on the top is under contract, and partially constructed from Madoc to Perth, and will, I think, be opened for service in May next, when there will be a second through line in Canada between the west and east, it may, however, be in our interest to build an independent route to both Ottawa and Cornwall, and a railway between Perth and Cornwall is urgently needed in the local interests of that section of the country, and would be a very profitable investment.

The prospects of the Ontario Sault Ste. Marie Railway are extremely favorable, and this line when completed will form a most valuable and important connection to the Midland Railway system.

GEO. A. COX,
General Manager.

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