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Great Western Railway of Canada.

REPORT

OF

THE DIRECTORS

OF THE

Great Western Railway of Canada,

FOR THE

HALF-YEAR ENDING 31st JULY, 1872;

WITH

STATEMENTS OF ACCOUNTS,

— &c., &c., &c. ;

*To be submitted to a Meeting of Shareholders to be held in
London on Wednesday, 16th October, 1872.*

LONDON:

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

1872.

GREAT WESTERN RAILWAY OF CANADA.—NOTICE
IS HEREBY GIVEN, that the HALF-YEARLY GENERAL
MEETING of Shareholders is appointed to be held on WEDNESDAY, the
16th day of October, 1872, at the London Tavern, Bishopsgate Street, London,
England, at Twelve Noon precisely, for the purpose of submitting a Report
and General Statement of Accounts for the Half-year ending on the 31st
July last, for the purpose of Electing three Directors and three Auditors,
and for the transaction of other business.

Also for the purpose of sanctioning by vote of the Shareholders the
several Agreements entered into with the Grand Trunk Railway Company,
the London and Port Stanley Railway Company, the Welland Railway
Company, the Hamilton and Lake Erie Railway Company, and an
Agreement respecting the Detroit Tunnel Company.

And Notice is further given, that the Books kept at the Office in
Canada, for the Registration of Shares and Preference Stock, will be
closed on and from 2nd October, 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, 21st August, 1872.

Great Western Railway of Canada.

LIST OF THE DIRECTORS.

1871-1872.

President

Alderman SIR THOMAS DAKIN, Cree Church Lane, London.

Vice-President.

GILSON HOMAN, Esq., Sandford House, Kirkstall, near Leeds.

HONBLE. JOHN CARLING, M.P., London, Ontario, Canada.

JOHN CLEGHORN, Esq., 3, Spring Gardens, S.W.

THOMAS FAULCONER, Esq., 66, New Finchley Road, N.W.

EDWD. H. GREEN, Esq., 22, Old Broad Street, London.

DONALD MACINNES, Esq., Hamilton, Ontario, Canada.

HONBLE. WILLIAM MACMASTER, Senator, Toronto, Ontario, Canada.

PAUL MARGETSON, Esq., Clapham Common.

GEORGE SMITH, Esq., 23, Albemarle Street, W.

WILLIAM WEIR, Esq., 10, Princes Terrace, Dowanhill Gardens, Glasgow.

Auditors.

JOHN YOUNG, Esq., 16, Tokenhouse Yard, London.

SIDNEY SMITH, Esq., 31, Bush Lane, London.

SAMUEL SPREULL, Esq., Toronto, Ontario.

General Superintendent.

Mr. W. K. MUIR, Hamilton, Ontario, Canada.

Treasurer.

Mr. JOSEPH PRICE, Hamilton, Ontario, Canada.

London Offices.

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

Mr. BRACKSTONE BAKER, *Secretary.*

Mr. WALTER LINDLEY, *Accountant.*

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

	RECEIPTS.	Total Receipts to 31st July, 1872.
		£ s. d.
TO SHARE ACCOUNT—		
For 204,091 SHARES—		
202,464 shares held in England, at £20. 10s. sterling per share		4,171,012 0 0
627 shares held in Canada at \$100 per share, converted at 109½ per cent. exchange.....		12,883 11 3
Total amount of Share Capital to 31st July, 1872		£4,183,895 11 3
TO 5 PER CENT. PREFERENCE STOCK—		
For amount of 1st, 2nd, 3rd & 4th instalments on £330,380 Five per cent. Preference Stock £280,823 0 0		
For amount received in anticipation of future instalments	6,525 1 8	287,358 1 8
TO PERPETUAL 5 PER CENT. DEBENTURE STOCK—		
For amount received on this account		46,700 0 0
TO BOND ACCOUNT—		
Bonds bearing 4 per cent. interest, due 1873 ..	£142,203 16 9	
Bonds bearing 6 per cent. interest „ 1873 ..	488,200 0 0	
Do. do. „ 1876 ..	127,000 0 0	
Bonds bearing 5½ per cent. interest „ 1877 ..	485,000 0 0	
Do. do. „ 1878 ..	62,000 0 0	
Bonds bearing 5 per cent. interest „ 1881 ..	1,000 0 0	
Do. 6 do. „ 1890 ..	750,000 0 0	2,055,403 16 9

£6,573,357 9 8

TOTAL RECEIPTS ON CAPITAL ACCOUNT during the Half-year—

SHARE ACCOUNT—		
For 4,215 Shares issued in conversion of £84,300 Preference Stock at £20. 10s.		
Less difference on 121 Shares transferred from Canada to London Office ...		£80,407 10 0 5 18 0
		£86,401 14 0
PREFERENCE STOCK—		
Final Instalment in advance at interest ...	£120 0 0	
Do. on conversion into Shares ...	11,557 4 0	11,677 4 0
		£98,078 18 0
Less Preference Stock converted into Ordinary Shares ...		84,300 0 0
		£13,778 18 0

RAILWAY COMPANY OF CANADA.

No. 1.

of the Company on Capital Account to 31st July, 1872.

EXPENDITURE.		Total Expenditure to
		31st July, 1872.
		£ s. d.
By Total Expenditure on Capital Account to 31st January, 1872, as per last Report		5,461,711 13 11
By Great Western Main Line, Hamilton and Toronto Line, and Galt Branch, &c.—		
Expended during the six months ended 31st July, 1872:—		
Land, Works, Permanent Way, and all Incidental Charges	£28,090 0 6	
Buildings and Wharves	3,837 16 3	
	£31,927 16 9	
Cars	31,906 17 0	
		63,834 13 9
By Discount on 5 per cent. Preference Stock		
For Discount on final instalment of amount of 5 per cent. Preference Stock paid up and converted into Ordinary Shares during the Half-year		2,529 0 0
By Difference on Conversion of 5 per cent. Preference Stock—		
For difference between the nominal amount of Preference Stock cancelled, and that of Ordinary Shares issued in exchange therefor during the half-year		2,107 10 0
		5,530,182 17 8
By Glencoe and Buffalo Line—		
Total Expenditure to 31st January, 1872	£248,939 1 7	
Expended during the six months ended 31st July, 1872	98,889 7 11	
		347,828 9 6
By Brantford Branch—		
Total Expenditure to 31st January, 1872	£40,323 7 4	
Expended during the six months ended 31st July, 1872	746 19 10	
	£41,070 7 2	
Less amount of Bonus received from the Town of Brantford	15,410 19 2	
		25,659 8 0
By Detroit and Milwaukee Railroad Company* ..		250,000 0 0
		6,153,670 15 2
By Balance carried to Account No. 4		419,686 14 6
		<u>£6,573,357 9 8</u>

* The Company hold Preference Shares of the Detroit and Milwaukee Railroad to the amount of \$2,095,000, on which there is \$1,325,608 accrued interest.

RAILWAY COMPANY OF CANADA.

No. 2.

Half-year ended 31st July, 1872.

Cr.

Half-year ended 31st July, 1871.			Per Cent. on Gross Receipts.	EXPENDITURE.	Half-year ended 31st July, 1872.			Per Cent. on Gross Receipts.
£	s.	d.			£	s.	d.	
84,740	19	9	18-46	By Maintenance and Renewal of Way, per Abstract A ..	90,911	9	4	16-51
60,888	15	9	13-27	„ Locomotive Power, per Ab- stract B	81,752	5	4	14-84
33,528	17	7	7-31	„ Repairs and Renewal of Pas- senger and Goods Cars, per Abstract C	41,029	5	7	7-45
30,479	18	8	6-64	„ Coaching Transit Expenses, per Abstract D	34,322	19	6	6-23
41,618	9	5	9-07	„ Merchandise Transit Expenses, per Abstract E	60,467	18	0	10-98
8,340	6	10	1-82	„ General Charges, per Ab- stract F	10,126	0	6	1-84
259,597	8	0	56-57	TOTAL ORDINARY WORKING EX- PENSES	318,609	18	3	57-85
				ITEMS NOT BELONGING TO ORDINARY WORKING EXPENSES.				
1,972	12	0		By Taxes	2,157	10	8	
177	14	10		„ Railway Inspection Fund ..	177	14	10	
				„ Rent of Detroit Station Yard	1,541	1	11	
1,773	13	7		„ Insurance	2,180	2	0	
131	2	4		„ Clerks' Security Account ..	147	3	4	
4,623	5	9		„ Suspension Bridge Rent, for half-year	4,623	5	9	
268,275	16	6		Total Revenue Expenditure ..	329,436	16	9	
190,614	14	5		By Balance carried to Net Revenue No. 3 Account	221,297	13	3.	
£468,890	10	11			£550,734	10	0	

THE GREAT WESTERN

ACCOUNT

NET REVENUE ACCOUNT

Dr.

Half-year ended 31st July, 1871.							Half-year ended 31st July, 1872.
£	s.	d.		£	s.	d.	
			To Balance of Net Revenue brought forward from Half-year ended 31st January, 1872...	5,643	17	5	
3,780	17	3					
			„ Balance from Revenue (No. 2) Account for the Half-year to date ...	221,297	13	3	
190,614	14	5					
			„ Galt and Guelph Railway, Profit on Half-year's Working, per Acct. G	1,725	1	6	
719	7	1					
			„ Balance of Interest Account ...				
399	7	6					
£195,514 6 3				£228,666 12 2			
			To Balance brought down ...	£144,482	16	11	
				£144,482 16 11			

RAILWAY COMPANY OF CANADA.

No. 3.

to 31st July, 1872.

Cr.

Half-year ended 31st July, 1871.		Half-year ended 31st July, 1872.
£ s. d.		£ s. d.
5,688 3 0	By Half-year's Interest on the Bonds issued to the Government to 1st July, 1872	2,844 1 6
34,691 0 0	„ Interest on Ordinary Bonds ...	34,691 0 0
	„ Balance of Interest account ...	291 12 0
20,730 15 11	„ Discount and Charges on the conversion of American currency, and exchange on Remittances to England	34,702 15 7
2,000 0 0	„ Amount set aside for renewal of the Ferry Steamers	2,000 0 0
9,100 0 0	„ Change of Gauge—Proportion charged against this Half-year	9,100 0 0
241 3 4	„ Erie and Niagara Railway—Loss on Working	554 6 2
103 12 6	„ Wellington, Grey and Bruce Railway—Loss on Working ... ..	... ..
5,895 9 10	„ Nitll River Bridge Accident Account—Amount paid during Half-year for repairs and compensation claims ... ..	... ..
117,064 1 8	„ Balance carried down	144,482 16 11
<u>£195,514 6 3</u>		<u>£228,666 12 2</u>
	„ Half-year's Dividend on 5 per cent. Preference Stock... ..	7,020 11 6
	„ Proposed Dividend on Ordinary Shares at the rate of 6½ per cent. per annum	135,976 11 11
	„ Surplus carried to next Half-year	1,485 13 6
		<u>£144,482 16 11</u>

THE GREAT WESTERN

ACCOUNT

Dr.

GENERAL BALANCE SHEET

	£	s.	d.
To Amount Outstanding and due to the Company on Traffic Account	63,280	7	11
„ Mechanical Stores on hand, 31st July, 1872 :—			
General Stores	£29,647	7	2
Fuel Stores	36,182	10	5
Old Material	566	6	0
	66,396	3	7
„ Engineering Stores on hand, 31st July, 1872 :—			
General Stores	£17,110	13	1
Rolling Mill Stock	2,947	14	3
Rail Stock	84,773	13	11
Steel Rails purchased in England, but not received into stock at 31st July, 1872	152,695	8	5
	257,527	9	8
„ Municipal Bonds	7,561	12	10
„ Balance of Interest due to 31st July, 1859, on Loan to Detroit and Milwaukee Railroad Company, not received	6,944	19	3
„ Port Huron and Milwaukee Railroad Company	8,219	3	7
„ Alteration of Gauge Suspense Account	72,040	11	7
„ Balances in Banker's hands, Loans, &c.	188,498	5	6
„ Sundry Assets and Debit Balances	38,353	8	3
	£708,822	2	2

HAMILTON, ONTARIO,

26th August, 1872.

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.

GEORGE LOWE REID,

Chief Engineer.

RAILWAY COMPANY OF CANADA.

No. 4.

to 31st July, 1872.

£r.

			£	s.	d.
By Balance from Capital Account No. 1	..)	...	419,686	14	6
„ Balance from Net Revenue Account No. 3	...	...	144,482	16	11
„ Ferry Steamers Renewal Fund	...	...	15,509	14	10
„ Rolling Stock Renewal Fund	...	...	16,687	11	1
„ Sundries due by the Company and Credit Balances	...	...	112,455	4	10

Audited and approved,

JOHN YOUNG,
SIDNEY SMITH, } *Auditors.*

25th September, 1872.

£708,822 2 2

HAMILTON, ONTARIO, CANADA,

24th August, 1872.

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.

Having checked the entries in ledger with journal and cash book, the vouchers for payments and the receipts per cashier's day book with the cash book from 1st February to 31st July, 1872, I hereby certify that the foregoing accounts contain a full and true statement of the financial affairs of the Company.

SAML. SPREULLI,

Auditor in Canada.

Hamilton, Ontario, 2nd September, 1872.

LONDON AUDITORS' REPORT.

TO THE SHAREHOLDERS OF THE GREAT WESTERN RAILWAY OF CANADA.

We have examined the foregoing statements of accounts, and find them in accordance with the books and vouchers.

The principle has now been adopted of charging a fixed rate per mile run, to provide for the Repairs and Renewal of the Rolling Stock. The rate has been fixed, after a careful consideration of the subject by the Company's officers in Canada, and it is believed will prove sufficient. Owing to the continued increase of traffic, and the consequent demand for Rolling Stock, it has been impossible of late to effect the full repairs, and the amount at the credit of the "Renewal Fund" is now £16,687. 11s. 1d. It is intended to extend the principle to the Maintenance of the Permanent Way and Works so soon as the whole of the Main Line has been laid with steel rails—when, it is considered, a reliable estimate can be made of the future cost of maintenance.

It is with pleasure we notice that the principle so long advocated by us, of charging Revenue with the loss of Exchange on the unconverted balance of American funds in hand received on account of Revenue at the date of closing the Accounts, has been carried into effect this half-year.

JOHN YOUNG, }
SIDNEY SMITH, } *Auditors.*

LONDON, 25th September, 1872.

GREAT WESTERN RAILWAY OF CANADA.

*Abstracts referred to in the Revenue Statement for the Half-year ended
31st July, 1872.*

ABSTRACT A. MAINTENANCE AND RENEWAL OF WAY.

Half-year ended 31st July, 1871.		Half-year ended 31st July, 1872.
£5,956 1 5	Repairs and renewal of Bridges and Culverts...	£7,235 11 1
4,678 17 6	" Station sidings & fences	5,809 16 6
4,537 17 7	" Buildings	5,837 10 8
531 4 8	" Signals	1,081 16 11
318 2 1	" Approaches	580 10 3
67,771 15 2	" Roadway	69,387 3 2
947 1 4	Engineering superintendence, &c.	979 0 9
£84,740 19 9		£90,911 9 4

ABSTRACT B. LOCOMOTIVE POWER.

Half-year ended 31st July, 1871.		Half-year ended 31st July, 1872.
£ s. d.	Transit Expenses:—	£ s. d.
14,571 1 0	Wages of Enginemmen and Firemen	18,012 9 3
1,993 9 9	Wages of Cleaners	2,354 19 6
23,789 9 1	Fuel	31,378 0 10
1,236 3 0	Oil	1,832 13 4
738 7 0	Tallow	949 14 10
683 14 0	Small Stores, including Signal Lamps, Waste, &c....	786 8 0
972 0 4	Pumping Engines	1,178 8 1
63 5 5	Salaries of Foremen and Clerks	65 6 10
128 8 10	Salary of Locomotive Engineer	128 8 10
44,175 18 5		56,686 9 6
	Repairs and Renewal of Engines:—	
5,213 6 9	Material and Fuel	13,424 12 5
10,255 6 11	Wages	10,225 8 5
59,644 12 1		80,336 10 4
106 15 9	Sundries:—	
250 4 4	Lighting Shops, &c....	99 1 0
887 3 7	Maintenance of Turntables	140 6 9
	Maintenance of Tanks and Pumps	1,176 7 3
		1,415 15 0
£60,888 15 9		£81,752 5 4
1s. 0'40d. 8d. 9c.	Cost per Train mile run	1s. 1'83d. 9d. 6c
	Cost per Traffic Engine mile run ...	

STATEMENT OF MILEAGE RUN BY ENGINES.

Miles run, 1st Feb. to 31st July, 1871.		Miles run, 1st Feb. to 31st July, 1872.
404,222	By Passenger Engines	455,496
773,849	Freight Engines	962,812
<u>1,178,071</u>	Total Train miles earning Revenue ...	<u>1,418,308</u>
452,656	By Piloting and Shunting Engines ...	618,805
<u>1,630,727</u>	Total Traffic Engine miles run	<u>2,037,113</u>

ABSTRACT C.
REPAIRS AND RENEWAL OF CARS.

Half-year ended 31st July, 1871.		Half-year ended 31st July, 1872.
£ s. d.	Passenger Cars—	£ s. d.
5,052 7 6	Materials } Including cost of cleaning Cars	5,288 4 4
5,432 10 8	Wages }	6,243 17 3
65 17 10	Salaries of Superintendent, Foremen & Clerks	72 12 1
<u>10,550 16 0</u>		<u>11,604 13 8</u>
	Merchandise Cars—	
16,391 9 3	Materials £19,764 0 3	
6,476 15 11	Wages 9,515 7 6	
109 16 5	Salaries of Superintendent, Foremen and Clerks 145 4 2	
<u>£33,528 17 7</u>		<u>29,424 11 11</u>
		<u>£41,029 5 7</u>

6d.83 ... Cost of Train Mile run ... 6d.94
0d.43.4 ... Cost of Car Mile run ... 0d.43.1

STATEMENT OF MILEAGE OF CARS.

Miles run, 1st February, to 31st July, 1871.		Miles run, 1st February, to 31st July, 1872.
1,736,882	Of First Class Cars	2,307,565
541,731	" Second Class Cars... ..	724,554
745,736	" Post Office, and Express Baggage Cars ...	732,959
15,530,636	" Freight, Platform, and Conductors' Cars ...	19,093,292
<u>18,554,985</u>	Total Car Mileage earning Revenue	<u>22,858,370</u>

ABSTRACT D.
COACHING TRANSIT EXPENSES.

Half-year ended 31st July, 1871.		Half-year ended 31st July, 1872.	
£	s. d.	£	s. d.
4,508	3 9	4,780	17 5
4,648	1 7	5,414	12 9
1,635	19 8	2,540	4 9
494	0 0	389	6 8
2,271	1 1	2,268	8 4
620	12 4	757	15 3
336	17 1	290	0 1
698	10 11	840	1 7
28	3 0	75	18 6
108	4 11	214	9 10
600	8 8	754	15 0
953	15 8	1,512	11 3
1,211	4 9	866	12 1
23	3 8	124	17 2
919	17 2	1,546	2 0
696	19 7	775	10 0
5,767	6 7	6,606	12 6
3,956	4 5	3,483	3 5
971	3 10	1,081	0 11
£30,479	18 8	£34,322	19 6

Equal to 19.28 per cent.
on
Coaching Traffic Receipts.

Equal to 17.70 per cent.
on
Coaching Traffic Receipts.

ABSTRACT E.
MERCHANDISE TRANSIT EXPENSES.

Half-year ended 31st July 1871.		Half-year ended 31st July, 1872.
£ s. d.		£ s. d.
5,065 17 5	Salaries of Superintendent, Freight Agents and Clerks	5,921 1 10
8,075 9 6	Wages of Conductors and Brakesmen ...	10,358 6 7
10,013 17 1	„ Porters	13,378 14 2
349 9 3	„ Switchmen	600 15 3
1,114 2 2	„ Watchmen at Level Road Crossings	1,441 12 4
2,874 10 6	Compensation for Damages	5,922 8 2
19 18 7	„ Cattle killed on Track by Trains	53 8 6
877 1 3	Lights, Lamps, Fuel and Signals	1,446 3 1
1,059 5 7	Stationery, Advertising and Printing ...	1,820 12 8
60 15 10	Office Furniture and Expenses	50 4 7
	Small Stores, including Links and Pins, Warehouse Trucks, Running Boards and Gangways	
1,078 4 7		2,549 14 10
367 1 0	Travelling and incidental expenses	352 11 8
1,839 12 4	Proportion of Expenses of Telegraph ...	2,040 15 2
	Do. do. Ferry across the	
3,147 1 0	Detroit River	4,847 16 3
106 3 7	Repairs and Maintenance of Machinery in Elevators at Hamilton and Sarnia ...	26 18 4
852 10 3	Expenses of Advertising, and Agencies in United States	2,257 14 1
4,717 9 6	“ Blue Line ” Sundries	7,399 0 6
<u>£41,618 9 5</u>		<u>£60,467 18 0</u>

Equal to 13.87 per cent.
on
Merchandise Traffic Receipts.

Equal to 16.90 per cent.
on
Merchandise Traffic Receipts.

527,830½ Tons... .. Total Tonnage carried 652,871½ Tons.

ABSTRACT F.
GENERAL CHARGES.

Half-year ended 31st July, 1871.		Half-year ended 31st July, 1872.
£3,426 17 11	Head offices in London and Hamilton ...	£4,330 19 7
679 11 11	Stationery, advertising, and printing ...	1,015 0 4
264 12 5	Postages and stamps	447 17 5
136 8 5	Fuel and lights	201 11 4
1,455 5 0	Travelling and incidental expenses ...	2,231 9 4
93 1 11	Furniture, &c.	312 8 2
978 18 10	Law charges	581 6 2
1,343 9 0	Directors and Auditors	1,322 10 0
211 8 11	Telegraphing	232 13 2
<hr/> 8,589 14 4		<hr/> 10,675 15 6
249 7 6	Less transfer fees	549 15 0
<hr/> £8,340 6 10		<hr/> £10,126 0 6

Equal to 1·82 per cent.
on
Total revenue.

Equal to 1·84 per cent
on
Total revenue.

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, 1871. £ s. d.	To amount received during the Half-year for the carriage of—	Half-year ended 31st July, 1872. £ s. d.
2,146 10 2	Passengers	2,581 10 1
207 5 2	Mails and Sundries	212 8 1
1,950 8 7	Freight and Live Stock	2,680 13 7
<hr/>		<hr/>
£4,304 3 11		£5,474 11 9

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, 1871. £ s. d.		Half-year ended 31st July, 1872. £ s. d.
1,367 8 11	By Maintenance and Renewal of Way during the Half-year	1,050 3 5
755 17 3	„ Locomotive Power	1,107 5 10
301 19 0	„ Use of Passenger, Freight, and other Cars	447 4 8
913 0 2	„ Coaching and Merchandise Transit Ex- penses	891 7 0
246 11 6	„ General Charges	246 11 6
	„ Law Charges... ..	6 17 10
3,584 16 10		3,749 10 3
719 7 1	„ Balance carried to Net Revenue Account...	1,725 1 6
£4,304 3 11		£5,474 11 9
<p>NOTE.—The Mileage run by Engines during the half-year, in working the traffic on the Galt and Guelph Railway, is as follows:—</p>		
31st July, 1871. 14,835	With Passenger and Freight Engines ...	31st July, 1872. 19,701
703	Piloting and Shunting	6,121
15,538		25,822

REPORT OF THE DIRECTORS
OF THE
Great Western Railway Company
OF CANADA.

1. The Receipts on Capital Account during the half-year to July 31st, 1872, amounted to £13,778. 18s. 0d., arising as follows:—

	£	s.	d.	£	s.	d.
Five per cent. Preference Stock, in anticipation of the final Instalment	120	0	0			
Ditto paid up in full for conversion into Ordinary Shares	11,557	4	0			
				11,677	4	0
Less difference in exchange on 121 Shares transferred from Canada to London					5	16
				11,671 8 0		
Shares issued on conversion of Preference Stock during the half-year at the rate of 5 shares for every £100 stock:—						
£84,300 stock converted into 4,215 shares, of £20. 10s. each	£86,407	10	0			
Less Preference Stock cancelled on conversion	84,300	0	0			
					2,107	10
				£13,778 18 0		

The total receipts on Capital Account amounted, on 31st July, 1872, to £6,573,357. 9s. 8d.

2. The Charges on Capital Account during the half-year amounted to £168,107. 11s. 6d.; of this sum the Engineer's

Report shews an expenditure for roadway, sidings, station buildings, &c., and a proportion of the cost of steel rails laid in the track, amounting altogether to £18,708. 1s. 5d. ; Land purchases for station extensions, principally at Detroit, absorb £13,219. 15s. 4d. ; Car purchases, as stated in the Mechanical Superintendent's Report, to the extent of £31,906. 17s. 0d. For the Glencoe Loop Line £98,889. 7s. 11d. has been expended, and £746. 19s. 10d. for small disbursements in respect of the Brantford Branch. The total expenditure to 31st July, 1872, amounted to £6,153,670. 15s. 2d., leaving a balance of £419,686. 14s. 6d. at the credit of Capital Account.

3. The receipts and expenditure on Revenue Account for the half-year have been as follows :—

Gross receipts	£550,734 10 0
Working expenses, including renewals and all charges	329,436 16 9
	<hr/>
	£221,297 13 3
From which is deducted—	
Interest on Bonds, &c.	£37,826 13 6
Discount and charges on conversion of American Currency	34,702 15 7
Amount set aside for renewal of Ferry Steamers	2,000 0 0
Loss on working the Erie and Niagara Railway	554 6 2
Alteration of Gauge Account—proportion charged this half-year ...	9,100 0 0
	<hr/>
	84,183 15 3
	<hr/>
Add Profit on working Galt and Guelph Railway ...	£137,113 18 0
	1,725 1 6
	<hr/>
	£138,888 19 6
Add surplus from last half-year	5,643 17 5
	<hr/>
Amount available for Dividend ...	£144,482 16 11
	<hr/>

The dividend for the half-year on the 5 per cent. Preference Stock amounts to £7,020. 11s. 6d., and from the balance the Directors recommend a dividend on the ordinary shares at the rate of $6\frac{1}{2}$ per cent. per annum, payable in London on the 26th October, which will absorb £135,976. 11s. 11d., leaving £1,485. 13s. 6d. to be carried forward to the next half-year.

4. The aggregate Revenue Receipts (exclusive of those of the Galt and Guelph, the Wellington Grey and Bruce, and the Erie and Niagara Railways) exhibit a gross increase of £91,821. 7s. 2d., which consists of—

Increase in way passenger traffic	...	...	...	£13,896	4	11
" through passenger traffic	...	...	...	20,147	16	11
" way freight and live stock traffic	...	...	...	19,721	1	1
" through freight and live stock traffic	...	...	...	36,233	5	1
" mails and express freight	...	...	...	1,822	19	2
				<hr/>		
				£91,821	7	2
				<hr/> <hr/>		

The net revenue would have shown a larger increase had not the rates and fares continued low—indeed a little less than in the corresponding period. The through live stock traffic has been carried at so diminished a rate as compared with the half-year ending July 31st, 1871, as to cause a decrease in the net earnings of the Company from this source of the sum of \$54,000. It is satisfactory to observe that the receipts for local or way traffic amount to 40 per cent. of the total earnings.

5. The receipts and ordinary working expenses per train mile for seven corresponding half-years, compare as follows in sterling :—

Half-year ending	Gross Earnings per Train Mile.	Working Expenses per Train Mile.
31st July, 1866 ...	9s. 10 $\frac{1}{4}$ d. ...	4s. 9d.
„ 1867 ...	8s. 10 $\frac{1}{4}$ d. ...	4s. 2 $\frac{3}{4}$ d.
„ 1868 ...	8s. 5d. ...	4s. 8 $\frac{3}{4}$ d.
„ 1869 ...	8s. 0d. ...	4s. 8d.
„ 1870 ...	7s. 8 $\frac{1}{2}$ d. ...	4s. 7d.
„ 1871 ...	7s. 9 $\frac{1}{2}$ d. ...	4s. 5d.
„ 1872 ...	7s. 9 $\frac{1}{4}$ d. ...	4s. 6d.

The higher rate of wages and the advance in the prices of many descriptions of stores have adversely affected the working expenses during the past half-year.

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

Half-year ending	RECEIPTS.						EXPENSES.					
	Passengers, Mails and Sundries.			Freight and Live Stock.			Rents.	Total.	Including Renewals, and all Charges.	Per Cent. of Gross Receipts.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
31 July, 1866	172,731	2	11	169,576	16	11	854	7	7	343,162	7	5
31 July, 1867	165,366	19	11	199,221	4	4	1,115	19	9	365,704	4	0
31 July, 1868	155,081	17	6	200,619	4	3	948	2	3	356,640	4	0
31 July, 1869	157,930	8	11	226,200	2	1	637	5	9	385,067	16	9
31 July, 1870	153,863	9	10	254,229	16	10	806	11	11	408,899	18	7
31 July, 1871	163,084	6	2	300,059	8	2	746	16	7	458,890	10	11
31 July, 1872	193,951	7	0	356,013	14	6	769	8	6	550,734	10	0
										329,436	16	9

7. The discount and charges on the conversion of American currency for the half-year amounted to £34,702. 15s. 7d., as compared with £20,730. 15s. 11d. in the corresponding half-year. The gold purchases were made at an average of 112 $\frac{1}{16}$, the average rate of gold being 112 $\frac{3}{4}$; the price of gold during the half-year has fluctuated between 109 and 115 $\frac{1}{4}$. Last half-year

the average rate of gold purchases was $111\frac{1}{16}$, and in the corresponding half-year $111\frac{3}{4}$. The comparatively larger loss by exchange arises both from the higher rate, and from increased earnings in American currency; and from the conversion into gold of the balance brought over from last half-year, together with the entire amount of greenbacks collected, so that no unconverted balance is now carried over. Last half-year \$170,037.60, and in the corresponding half-year \$128,737.12 American funds were carried forward unconverted to the following half-year.

8. The new car Ferry Steamer "Transit" to replace the old boat now broken up, is completed and in use. The cost of it—£14,707. 8s.—has been provided out of the Renewal Fund for Ferry Steamers, and a balance of £15,509. 14s. 10d. still remains at the credit of that fund.

9. The same half-yearly amount as heretofore (£9,100) has been charged to revenue towards defraying the cost of alteration of gauge. The only remaining portion of the line where the broad 5ft. 6in. gauge is retained, is the 76 miles between London and Hamilton. The expense of maintaining the extra rail and the inconvenience of working the mixed gauge have determined the Directors to remove and dispose of the third or outer line of rails. The entire system of the Great Western will then be the uniform gauge of the United States, viz., 4ft. 8½in.

10. In conformity with the principle stated in the last report, a fixed rate per mile run has been charged for repairs and renewals of locomotives and cars, whether expended or not. This charge has exceeded the actual expenditure in the past half-year, and there stands at

the credit of a suspense account for re-construction and renewal of engines and cars, on July 31st, 1872, a sum of £16,687. 11s. 1d.

11. The condition of the Permanent Way and Rolling Stock is reported to be highly satisfactory by the President and Vice-President, who have recently returned from a personal inspection of the Railway. The full advantage of the durability of steel rails has not yet been felt, but it will be seen by a table given in the Engineer's Report that during the past half-year the cost of maintenance and renewals estimated upon the basis of the train mileage is less than the average expenditure for the last six years, although since 1867 the freight tonnage carried has increased nearly threefold.

12. It may be observed that the gross earnings upon the main line during the past half-year have amounted to the sum of \$10,403 per mile of open railway, being the largest earnings of any single track Railway. The Directors are led to conclude that the maximum amount of traffic which can safely be carried on a single line of rails even with extended sidings, has now been reached. The increasing demands of the through business will tax the resources of the Company to the utmost in the coming year; but with the relief to be afforded by the Glencoe Loop Line, the increased sidings between Glencoe and Windsor, the new Car Ferry-boat, and the augmented equipment of rolling stock, the Directors have no doubt the traffic will be successfully conducted.

13. The Engineer states in his report that the Glencoe Loop Line is fast approaching completion, and it is satisfactory to find that the works will be finished for an outlay within the estimate originally framed.

14. The Directors have negotiated an arrangement with the Board of the Grand Trunk Railway Company in respect of the International Bridge and its approaches, now under construction, on the principle of accepting half the liabilities of the bridge construction, bridge capital, cost and maintenance, that is, joint-ownership and management, with equal division of earnings from other sources. The agreement will be laid before the Shareholders for their approval.

15. An agreement will also be submitted to lease the London and Port Stanley Railway for a period of 21 years at an annual rental of \$20,000. This line is 27 miles in length, and running north and south connects the western extremity of the Glencoe Loop Line at St. Thomas, with the main line at London. By the control of this short line the rolling stock on the Loop line can be repaired at the London workshops, and the Company will obtain at Port Stanley the most convenient access to the coalfields of Ohio. As cord wood for fuel is becoming scarce along the main line, this facility for obtaining coals will prove most important.

16. The arrangement sanctioned by the Shareholders at the last General Meeting, for the purchase at the price of £75,000 of the Erie and Niagara Railway, has been frustrated owing to difficulties between the parties who claimed to be owners of this short line of $31\frac{1}{4}$ miles. The object of this acquisition was to obtain a junction at the Eastern end of the Main Line with the Glencoe Loop Line. This intention can be equally well accomplished by the use of the Welland Railway; the Board, therefore, propose to enter into an agreement with the Directors of the Welland

Railway to use for a term of twenty-one years a distance of 15 miles of it, between the points where it intersects the Main Line at St. Catherine's and the Loop Line.

17. An agreement to secure running powers over the Hamilton and Lake Erie Railway will also be submitted to the Meeting. This road is in course of construction, and will run from the City of Hamilton to Port Dover on Lake Erie. This agreement is made in conjunction with other Railway Companies, and is based upon the equitable principle of payment according to the tonnage carried over it by each Company.

18. The Engineer's Report gives the progress of the test or drainage tunnel under the Detroit River. When this is completed the practicability of constructing the Railway Tunnel will be demonstrated. It is proposed to provide the capital for this purpose by the issue of Bonds on the joint guarantee of the Great Western and the Michigan Central Railways, the tolls on traffic passing through the Tunnel being applied to pay interest on the Bonds, and provide a sinking fund for their redemption. An agreement to carry this out will be laid before the Shareholders.

19. The Wellington Grey and Bruce Railway has been worked from Guelph to Clifford, $55\frac{1}{4}$ miles, during the half-year, and thus far the expectation formed of its value has been realised. During the past half-year it has been worked within 70 per cent. of its gross earnings, and has yielded additional earnings to the Great Western, from interchange of traffic, to the extent of \$46,432.86, and in the two years since the first short section of it was opened, of \$144,785.38. Since the termination of the half-year

further sections, to Walkerton and to Paisley, 29 miles beyond Clifford, have been partially worked, and in a few weeks it is expected the entire line will be completed to Southampton, on Lake Huron.

20. The receipts and expenditure of the Detroit and Milwaukee Railroad have been as follows for the half-year ending June 30, 1872:—

Gross earnings	.. .. .	£134,215 2 2
Working expenses, taxes, &c.	.. .. .	99,462 14 6
Balance to meet Interest on Bonds	..	<u>£34,752 7 8</u>

The through traffic of this road is increasing, but the local traffic has decreased owing to the new lines of railway crossing it at Grand Haven, Grand Rapids, Ionia and Holly. It is hoped that the gradually increasing population of the Northern peninsula of the State of Michigan will compensate for this diversion of traffic. On the other hand the Great Western is benefited by the additional country opened up by these new railways.

21. Since the last General Meeting Mr. M. K. Jesup, of New York, has resigned his seat at the Board, and the Directors have the satisfaction of stating that Mr. John Cleghorn, one of the Directors of the North Eastern Railway, has been unanimously elected to fill the vacancy. At the coming meeting the following Directors go out of office by rotation, but are eligible, and offer themselves for re-election:—

Sir Thomas Dakin
 Mr. Gilson Homan
 Mr. John Cleghorn.

The Auditors likewise retire from office, but are re-eligible: they are—

Mr. John Young, of Messrs. Turquand, Youngs and Co.,

Mr. Sidney Smith, and

Mr. Samuel Spreull, in Canada.

On behalf of the Board of Directors,

THOMAS DAKIN,

President.

LONDON, 27th September, 1872.

REPORT OF THE ENGINEER.

ENGINEERING DEPARTMENT,
GREAT WESTERN RAILWAY, HAMILTON,
26th August, 1872.

TO THE PRESIDENT AND DIRECTORS.

GENTLEMEN,—I beg to submit to you the following Report upon the operations of my department during the half-year ended 31st July, 1872 :—

CHARGES TO REVENUE.

	£	s.	d.
The total expenditure of this department during the half-year chargeable to Revenue amounts to ...	90,911	9	4
As compared with the corresponding half-year of 1871, which amounted to ...	84,740	19	9
And as compared with the previous half-year ended 31st January last, which amounted to ...	105,691	5	6

CHARGES TO CAPITAL.

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

	£	s.	d.
1st.— <i>Roadway and Sidings.</i> —Wages of men and materials used in laying down new sidings at Suspension Bridge, Jordan, Beamsville, Winona, Stoney Creek, Harrisburg, Lynden, Brantford, Branchton, Galt, Bronte, London, Petrolia, and St. Clair ...	2,709	1	2
321 tons of rails used in same ...	3,759	13	1
Proportion of the cost of steel rails and accompanying joint fastenings (£3 sterling per ton) laid in track ...	8,401	10	11
2nd.— <i>Buildings and Wharves.</i> —Cost of building addition to Station buildings at Chatham, London, Dorchester, Sarnia, Suspension Bridge, Thorold, and St. Catherine's ...	595	16	5
Cost of building an ice-house at London ...	70	9	8
“ “ a Freight shed at Dorchester ...	53	11	0
Carried forward ...	15,590	2	3

	£	s.	d.
Brought forward	15,590	2	3
Cost of building Office for Express Co. at London	101	0	9
" " a Telegraph Office and Battery-room for same at London	149	3	3
" " a Telegraph Office at Windsor	68	18	9
" " a Covered Transfer Platform at junction with Grand Trunk Railway, west of Queen's Wharf, Toronto	299	5	10
" " a Track scale at Harrisburg	105	4	1
" " a Slip Dock for Ferry steamboat and Coal Wharf at Sarnia	1,566	10	3
" Water Tanks erected at Strathroy, Windsor, and Longwood; charge from Mechanical Department	827	16	3
	<hr/>		
3rd.— <i>Glencoe Loop Line</i> —Work done under contract between Glencoe and Welland 128 miles	18,708	1	5
Cost of Engineering expenses, surveys, travelling and incidental charges	63,196	5	2
Cost of work done by Company's men track-laying, &c., and engine service delivering rails	7,224	16	7
Cost of Spikes delivered under contract	1,161	3	3
	3,679	15	5
	<hr/>		
Total	£93,970	1	10

The above enumerated charges to Capital Account, so far as regards the Main Line and Branches, consist of the addition of $3\frac{1}{4}$ miles of sidings, and of additions to station buildings, platforms, wharves, and water tanks.

Loop Line.—This new Line is now completed between Glencoe and Canfield, a distance of 103 miles, with the exception of the permanent way and station buildings. The remaining 42 miles between Canfield and Fort Erie are making good progress, and will be ready to receive the rails before 1st December. Track laying was commenced at Glencoe early in July, and 15 miles of the permanent way have been laid. Arrangements have now been made for the employment of two or three construction trains at St. Thomas and Canfield early in September, and if no delay occurs in the delivery of the steel rails, and a sufficiency of rolling stock can be obtained for the construction trains, the track can be laid throughout the whole length of the Loop Line before the end of December next.

The total expenditure on the Loop Line in my department for works of construction from the commencement to 31st July, is as follows :—

	£	s.	d.
Land and land charges	32,946	3	7
Grading, bridg fencing, &c., delivered and in transit	243,207	12	0
Steel rails, joint fastenings, and spikes	152,695	8	5
Tracklaying, temporary tanks, engine sheds, &c.	1,397	9	3
	<hr/>		
Estimated cost of whole Line, as per my estimate of June, 1870	£430,246	13	3
	<hr/>		
Balance unexpended	750,000	0	0
	<hr/>		
	£319,753	6	9

I have carefully estimated the amount of work still remaining unfinished, and I am happy to be able to say that notwithstanding the recent heavy rise in the rate of wages and price of materials, the unexpended balance is sufficient to complete the Loop Line in a thorough manner, provided no farther increase takes place beyond the present unprecedentedly high prices.

MAINTENANCE AND RENEWALS OF PERMANENT WAY.

	£	s.	d.
Repairs and Renewals of Bridges and Culverts	7,235	11	1
" " Sidings	3,299	3	0
" " Fences	2,510	13	6
" " Buildings and Wharves	5,837	10	8
" " Signals	1,081	16	11
" " Approaches	580	10	3
Platelayers' wages and extra work for maintenance, and Renewals of Permanent Way	28,986	14	11
3,555 tons of re-rolled rails, and 3,000 tons steel rails laid in track	28,236	4	4
102,760 sleepers laid in track	6,334	10	5
Fish-plates, bolts and nuts, spikes, chairs for track and switches, and small stores	3,877	12	5
Engine service	1,952	1	1
Engineering superintendence	979	0	9
	<hr/>		
Total	£90,911	9	4

During the past half-year 3,555 tons of re-rolled iron rails were used for renewals of the Main Line and Branches, in addition to 3,000 tons of steel rails. This large quantity of iron rails was re-rolled in the months of January, February, and March, and formed the last lot manufactured at the Company's Rolling Mill, which was finally closed on 8th March last.

The weight of steel rails used during the past six months relaid 29 miles of track of the Main Line, and brings up the aggregate length of steel permanent way at 31st July last to 106 miles out of the total of 229 miles. For the current half-year, 5,900 tons of steel rails have been appropriated and are now being laid down, so that before the severe frost of next winter sets in we shall have 154 miles out of 229 miles of the Main Line converted into a steel track of the most durable kind.

In addition to the 123 miles of iron track in the road at 31st July, we have still in use 76 miles of a third rail forming the old 5 ft. 6 in. gauge between Hamilton and London; but arrangements are now completed for the removal of this third rail in the month of November next. These iron rails, when taken up, will be used for renewing the worn-out portions of the Branch Lines.

In the early part of the past half-year a demand for increased wages had to be met, equal to an average rise of ten per cent. upon all classes of workmen employed in my department. This has added a sum of £3,904. 2s. 2d., to the expenditure of the past six months. The increased price of timber and materials for bridges, fences, and buildings, as compared with the prices of 1871, has added £1,027. 8s. more to the half-year's outlay, thus making an aggregate increase of £4,931. 10s. 1d. from this cause alone. Although the cost of maintenance of renewals has still been very high during the past half-year, it will be seen by the subjoined table that the outlay compares very favourably with the proportion to the train mileage and tonnage moved over the line of the past six years.

The average cost per train mile for the past six years was 32½ cents., whereas the cost of the past half-year was 31½ cents. The average

cost per ton of freight during the past six years was 81 cents., whereas the cost for the past half-year was only 67½ cents.

The accompanying Table shows that the freight tonnage has increased threefold since January, 1867 (when the standard gauge of 4 ft. 8½ in. was introduced as a mixed gauge on the Main Line) and that the train mileage has more than doubled; facts which of themselves account for the doubling of the Maintenance and Renewal charges since 1867.

Half-year ending	Cost of Maintenance and Renewals.			Train mileage (earning revenue).	Cost per train mile (earning revenue).		Freight tonnage.	Cost per ton.	
	£	s.	d.		d.	s.		d.	s.	d.
31st January, 1867	39,682	7	3	688,117	13s	0.28	233,388	40s	0.82½
31st July, 1867	42,773	8	9	824,484	12s	0.25½	296,787	31s	0.70
31st January, 1868	43,569	11	8	828,476	12s	0.25½	284,988	36s	0.74½
31st July, 1868	51,028	8	1	847,270	14s	0.28½	286,733	41s	0.85
31st January, 1869	48,535	17	4	937,825	12s	0.25½	338,911	34s	0.69½
31st July, 1869	58,002	13	11	962,406	14s	0.29½	375,576	36s	0.75
31st January, 1870	76,784	8	6	980,843	18s	0.38½	399,790	46s	0.93½
31st July, 1870	88,539	6	7	1,059,429	20s	0.40½	460,948	46s	0.93½
31st January, 1871	90,925	1	2	1,136,111	19s	0.38½	465,058	46s	0.95
31st July, 1871	84,740	10	9	1,178,071	17s	0.35½	527,831	39s	0.79½
31st January, 1872	105,691	5	6	1,307,716	19s	0.39½	610,307	41s	0.84½
31st July, 1872	90,911	9	4	1,418,318	15s	0.31½	652,871	33s	0.67½

I have already stated that the wages now paid are 10 per cent. higher than those of last year, and a comparison of the wages and of all kinds of building materials with the rates and prices current in 1867 and 1868 shows an increase during the interval of fully 20 per cent. on wages and of 30 per cent. on all materials used by my department, with the single exception of railway sleepers, in which the increase is only 12½ per cent.

In my report for the half-year 31st January, 1871, I stated that the heaviest part of the extraordinary renewal of the track would be completed in the course of the summer of that year, "after which a

large reduction in the cost of maintenance and renewals may be confidently expected."

My anticipations of a largely-reduced expenditure have not been realised. This has been almost entirely owing to the repeated failures of our iron rails (experienced, I may say, in common with all the trunk lines of the Northern States and Canada), notwithstanding that the most diligent efforts were made to secure the best iron in the market, and also owing to the much more satisfactory reason that the weight of traffic (and consequent wear and tear of the track) has increased much more rapidly than was expected. This increased tonnage has unfortunately not been attended by such a corresponding addition to the gross earnings as to neutralise the unfavourable effect of the augmented expenditure on the track.

But now that nearly one-half of the main line is relaid with steel rails, and that by the end of November only 75 miles of iron way will be left, and having regard also to the fact of the very extensive renewal of sleepers which has taken place during the past eighteen months (viz., 332,447 sleepers, or 126 miles of track), and to the heavy repairs and reconstruction of the wooden bridges on the Sarnia and Toronto branches, now well advanced, and which will be completed within the next eighteen months, and considering also that the remaining 76 miles of the mixed gauge, with their complicated switches, crossings, and signals, will be entirely removed before December next, I feel confident that a very material reduction in the cost of maintenance of the road (per train mile) will be experienced after the close of the current half-year. I do not look for much, if any, diminution in the expenditure for the half-year now entered upon as compared with that just closed, because, after a careful inspection of the line, I found it necessary to provide during the current half-year for the laying of 5,000 tons of steel rails (as already stated), and also for a heavy renewal of some important bridges on the Toronto branch, as well as the strengthening of the masonry abutments of one of the high bridges of the main line.

I may add that in renewing the track the sleepers are now being laid

at 2 feet apart from centres, instead of $2\frac{1}{2}$ feet, as formerly, and that every rail joint is now bedded upon a wrought-iron plate or chair of 13 lbs. weight, both of which improvements representing an extra cost of £102. 14s. 9d. per mile, are charged to revenue.

The stock of surplus rails is 5,804 tons, valued at ..	£12,745	6	9
Ditto steel rails imported in 1871, 2,602 tons, with accompanying joint fastenings ..	42,028	7	2
Charges on account of steel rails in transit, 1872 ..	152,695	8	5
	<u>£237,469</u>	<u>2</u>	<u>4</u>

GALT AND GUELPH RAILWAY.— $15\frac{1}{2}$ MILES.

Cost of maintenance, renewals, and watching for the half-year ..	£1,050	3	5
The cost of the corresponding half-year was ..	<u>1,367</u>	<u>8</u>	<u>11</u>

WELLINGTON GREY AND BRUCE RAILWAY.— $55\frac{1}{2}$ MILES NOW OPEN.

Cost of maintenance for the half-year ..	£3,144	16	3
The cost of the corresponding half-year, when only $23\frac{1}{2}$ were open, was ..	<u>1,646</u>	<u>10</u>	<u>7</u>

ERIE AND NIAGARA RAILWAY.

Cost of maintenance for three months ..	£234	7	9
The cost of the corresponding half-year was ..	<u>442</u>	<u>8</u>	<u>11</u>

DETROIT RIVER TUNNEL.

During the past half-year the trial heading (to be permanently used as a drainage tunnel) 5 feet internal diameter, has been prosecuted from two shafts, one on each side of the river, distant 3,200 feet from each other. These shafts are 110 feet below the surface of the water of the river. The drainage tunnel now extends 1,120 feet from the Detroit shaft, and 280 feet from the Windsor shaft, making together 1,400 feet. Considerable delay was caused on the Windsor side by the irruption of water from extensive cavities and layers of quicksand immediately over the head of the drainage tunnel,

but beneath the bottom of the main tunnel. These have now been subdued, and the work is progressing satisfactorily. Should no further interruptions occur it is expected that the drainage tunnel will be completed by the end of the year. Mr. Chesbrough, the Chief Engineer of this work, is perfectly satisfied with the developments so far made, as confirmatory of his original opinion of the perfect feasibility of the undertaking.

I have the honour to be,

Gentlemen,

Your very obedient servant,

GEO. LOWE REID,

Chief Engineer.

REPORT OF THE LOCOMOTIVE AND CARRIAGE
SUPERINTENDENT.

GREAT WESTERN RAILWAY,
MECHANICAL SUPERINTENDENT'S OFFICE,
HAMILTON, ONTARIO,
August 24, 1872.

TO THE PRESIDENT AND DIRECTORS.

GENTLEMEN,—I beg to hand you Report of the working of the
Mechanical Department for the half-year ending July 31st, 1872.

CHARGES TO CAPITAL.

During the past half-year, the undermentioned additions were
made to the Rolling Stock, forming a charge to Capital Account.

61 new Michigan Line Box Cars, being balance of 150 Cars purchased from the Michigan Car Company (89 having been delivered and charged in last half-year's accounts)	£8,694 10 0
150 new Platform Cars, from the Ontario Car Company	15,002 1 1
50 new Stock Cars from the Michigan Car Com- pany	8,209 16 11
Total	<u>£31,906 17 0</u>

CHARGES TO REVENUE.

LOCOMOTIVE DEPARTMENT.

The expenditure during the half-year chargeable to Revenue amounts to	£81,752	5	4
As compared with corresponding half-year of 1871	60,888	15	9

CAR DEPARTMENT.

The expenditure during the half-year chargeable to Revenue amounts to	41,029	5	7
As compared with corresponding half-year of 1871	33,528	17	7

LOCOMOTIVE DEPARTMENT.

Renewals.—The amount expended for renewals of Engines during the half-year and included in the charge to Revenue, is as follows:—

Continuation of account for re-construction to narrow gauge of six worn-out engines of Norris' class	2,923	12	7
Continuation of account for re-construction to narrow gauge of ten engines of Slaughter's class	1,242	13	0
Total ..	<u>£4,166</u>	<u>5</u>	<u>7</u>

Two of the Norris engines above referred to are completed and now at work, the remaining four are in a forward state.

Five new boilers for the reconstruction to Narrow gauge of the ten Slaughter's engines are now in course of erection, and the making of the remaining boilers is being proceeded with.

In addition to the above expenditure for reconstruction of engines, the sum of £7,841. 16s. 4d. has been included in the Locomotive charges, and carried over to suspense account for future Renewals of Locomotives.

Repairs.—31 engines have received heavy and 32 light repairs.

Stock of Engines.—During the half-year three new narrow gauge passenger engines have been supplied from the Kingston Locomotive Works. Two engines of Norris class rebuilt to narrow gauge in Company's Works have been put to work, and seven broad gauge engines have been cut up and sold as old material.

The following Table shows stock of engines as at present :—

Description of Engines.	Broad gauge.	Narrow gauge.	Under re-novel and conversion to narrow gauge.	TOTAL.
Passenger	29	31	4	64
Freight	14	45	5	64
Shunting ... ..	...	7	...	7
Locomotive Fire-Engine ... ..	...	1	...	1
	43	84	9	136
Compared with last half-year	50	79	11	140

Pumping Engines and Tanks.—At each of Windsor and Longwood Stations a new and additional Frost Proof Tank has been erected to provide a larger water supply, the old Tanks being insufficient to meet the demands of the increased traffic.

At Strathroy the old Housed Tank, being too small for the requirements at that station, has been replaced with a new standard-sized Frost Proof Tank.

At Thorold an additional 150 feet of 3 inch pipe has been laid, in order to reach a higher level of the canal, whereby a more reliable supply of water has been obtained.

The necessary repairs at other watering stations have been properly attended to, and the entire service effectually maintained.

Comparative Expenditure of the Locomotive Department.— The following Table shows the total expenditure of the Locomotive

Department for seven consecutive half-years, including that now reported, and exclusive of charges for the Galt and Guelph and Erie and Niagara Railways :—

	Half-Years ending July 31st.						
	1866.	1867.	1868.	1869.	1870.	1871.	1872.
Engine Mileage.	999,609	1,141,601	1,202,913	1,358,530	1,485,538	1,630,727	2,037,113
Net Train Mileage	704,951	824,484	847,279	962,496	1,059,429	1,178,071	1,418,318
Expenditure exclusive of Fuel	£31,073	£32,395	£32,680	£35,909	£32,627	£37,191	£42,815
Cost per Engine Mile.....	7·46d.	6·80d.	6·52d.	6·35d.	5·27d.	5·47d.	5·03d.
Expenditure for Fuel.....	£9,726	£12,365	£20,338	£19,708	£21,969	£23,698	£31,095
Number of cords consumed	17,213	21,882	26,394	30,742	32,898	32,951	42,036
Cost of Fuel per Engine Mile..	2·33d.	2·59d.	4·05d.	3·45d.	3·54d.	3·48d.	3·66d.
Suspense Account charge for future renewals of Engines .....	..	..	..	..	..	..	£7,842
Total Expenditure	£40,799	£44,760	£53,018	£55,667	£54,596	£60,889	£81,752
Cost per Engine Mile.....	9·79d.	9·39d.	10·58d.	9·83d.	8·82d.	8·96d.	9·63d.
Cost per Train Mile.....	13·88d.	13·03d.	15·02d.	13·88d.	12·37d.	12·40d.	13·83d.
Percentage on Earnings.....	11·89	12·24	14·87	14·46	13·36	13·29	14·84
Percentage on Earnings exclusive of Suspense Account	11·89	12·24	14·87	14·46	13·36	13·29	13·50

CAR DEPARTMENT.

Renewals.—During the half-year the sum of £5,781. 14s. 10d. has been expended on the renewals of Car stock. The following Cars have been reconstructed—2 first class, 2 second class, 3 P.O. and Baggage, 2 Conductors, 40 Box, 7 Cattle, and 19 Flat=Total 75 Cars

240 new steel side springs, 312 new axles, and 814 new cast-iron chilled-wheels, have been supplied and charged during the half-year.

In addition to the amount above mentioned as expended under this head, the sum of £1,146. 10s. 7d. has been charged in the Car Department expenses, and carried over to a suspense account for future renewals of cars.

Repairs.—All necessary repairs have been attended to.

Stock of Cars.—The following changes have been made since last report. The stock has been increased by the addition of 61 Michigan Line Box Cars, 50 Double-decked Stock Cars, and 150 new platform Cars.

The 19 Cars left temporarily broad-gauge last half-year for traffic on the Erie and Niagara Railway, are now placed on the narrow-gauge Trucks prepared for them, so that the whole of the Cars are now of one uniform gauge.

The following table shows the present numbers of each class of Cars :

Description of Cars.	Broad Gauge.	Narrow Gauge.	Total number all Narrow gauge.
First Class	83
Second Class	46
Post Office and Baggage	24
Baggage Van Flats	7
Composite	10
Conductors'	33
Blue Line	420
Milwaukee Line Box	80
" " Combination	100
Michigan Line Box	250
" " (Saginaw Valley)	50
Box (Freight and Express) Cars	543
Grated Door	205
Cattle	160
Flat or Platform and 4-wheeled Timber trucks...	536
Gravel and Construction (including 2 Snow-ploughs)	207
Total	2,754
Compared with last half-year	19	2,474	2,493

COMPARATIVE EXPENDITURE OF THE CAR DEPARTMENT.

The following Table shows the expenditure of the Car Department for seven consecutive half-years, including that now reported, and exclusive of the "Galt and Guelph," and "Erie and Niagara" Railway charges:—

	Half-years ending July 31st.						
	1866.	1867.	1868.	1869.	1870.	1871.	1872.
Expenditure for Maintenance of Passenger Train Cars	£7,744	£5,579	£10,956	£11,920	£15,440	£10,551	£11,605
Mileage	2,385,822	3,023,304	3,080,312	3,358,594	2,946,782	3,024,349	3,765,078
Cost per Mile ..	0.77d.	0.44d.	0.85d.	0.85d.	1.25d.	0.84d.	0.71d.
Expenditure for Maintenance of Merchandise cars	£10,885	£12,974	£13,159	£18,630	£15,135	£22,978	£29,425
Mileage	5,689,513	7,650,630	7,403,059	9,801,694	12,013,375	15,530,636	19,093,292
Cost per Mile ..	0.459d.	0.406d.	0.430d.	0.456d.	0.302d.	0.355d.	0.359d.
Suspense account charge for future renewals of cars	..	..	..	..	..	..	£1,147
Total Expenditure	£18,629	£18,553	£24,115	£30,655	£30,575	£33,529	£41,029
Mileage	8,075,335	10,673,934	10,483,371	13,160,288	14,960,157	18,554,985	22,858,370
Total cost per Mile all Cars ..	0.55d.	0.42d.	0.55d.	0.56d.	0.49d.	0.43d.	0.43d.

STEAMERS.

"Great Western" and "Union."—These are in usual working order. Heavy repairs have been done to the boilers of steamer "Union," and arrangements are being made to execute what other work may be necessary before the winter season.

BUILDINGS AND TOOLS.

These are in the usual fair condition.

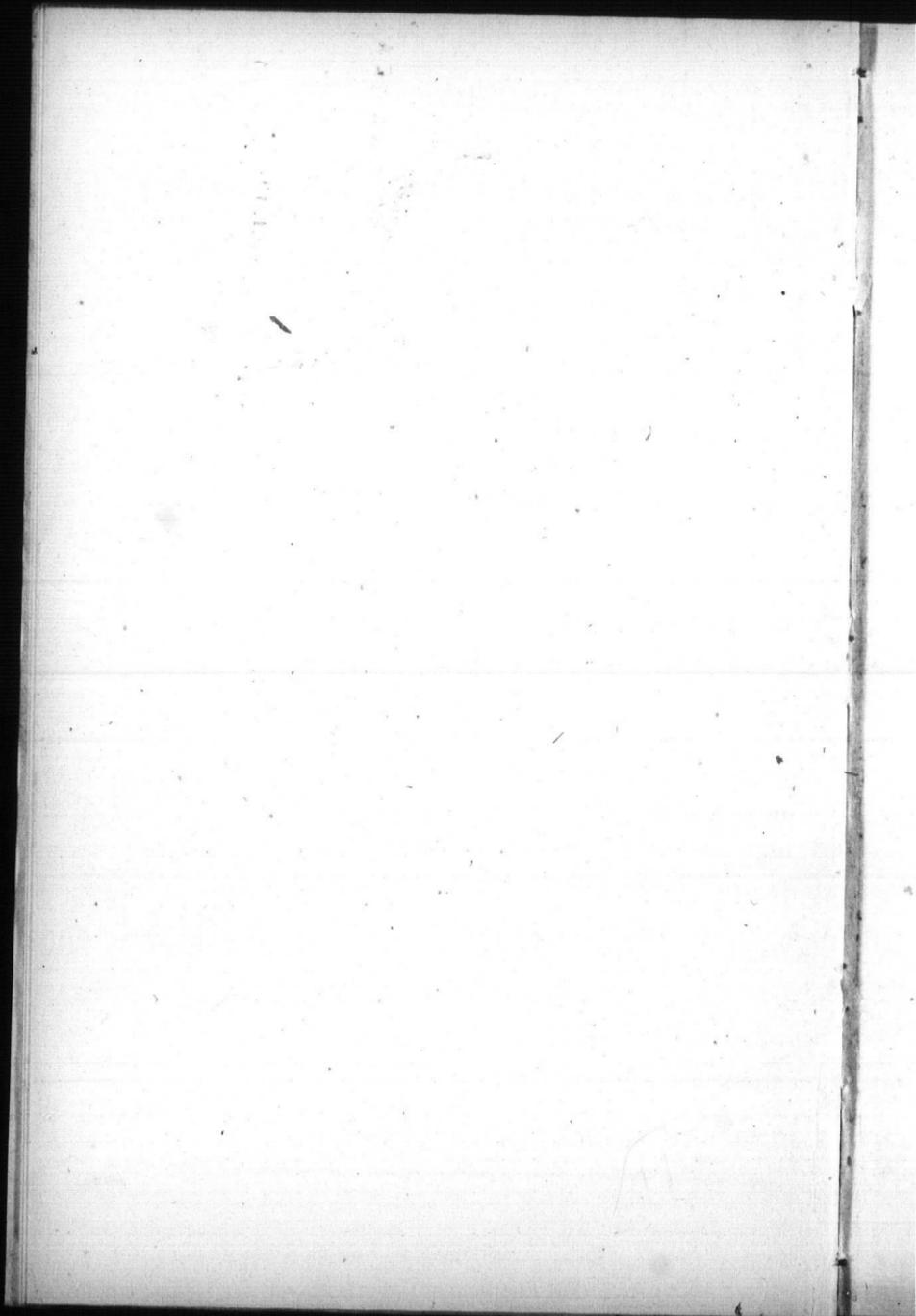
I am,

Gentlemen,

Your obedient Servant,

W. A. ROBINSON,

Mechanical Superintendent.



GREAT WESTERN RAILWAY OF CANADA.

At a General Meeting of Shareholders

OF THE

GREAT WESTERN RAILWAY OF CANADA,

*Held at the London Tavern, Bishopsgate Street, on Wednesday,
October 16th, 1872, at 12 o'clock,*

Alderman Sir THOMAS DAKIN, President of the Company, in the Chair.

The Secretary read the Advertisement calling the Meeting.

The Minutes of the Ordinary General Meeting of Shareholders held in London, on April 17th, 1872, and of the Special Meeting held on the same day, were read and approved.

The Report and Accounts for the half-year ending July 31st, 1872, were taken as read.

It was proposed by the CHAIRMAN, seconded by Mr. HOMAN, and resolved—

“ That the Report and Accounts for the half-year ending July 31st, 1872, this day submitted, be received and adopted, and that a Dividend on the Preference Stock at the rate of 5 per cent. per annum, and on the Ordinary Shares at the rate of 6½ per cent. per annum, be now declared payable in London, on 26th October.”

The retiring Directors having been put in nomination for re-election by Mr. S. HERAPATH, and Mr. T. ADAMS having nominated Mr. JOHN FILDES, Mr. JAMES BALD, and Mr. GEORGE MORPHETT, a ballot was to be taken for the election of three Directors to fill the vacancies, the poll to be open for one hour, and the result to be declared at 4 P.M. on the following day at an adjourned Meeting, to be held at the London Tavern. Mr. W. W. CRYDER and Mr. THOS. ADAMS were appointed Scrutineers.

It was proposed by Mr. A. BEATTIE, seconded by Mr. S. HERAPATH, and resolved—

“ That the amount voted as remuneration to the Board of Directors be £3,000 per annum, commencing with the current half-year, to be divided among the Directors as the Board may see fit.”

On the proposition of the CHAIRMAN, seconded by Mr. HOMAN, it was resolved that the following agreements be severally, and are hereby, sanctioned and approved—

“ An agreement between the Great Western Railway Company, and The Grand Trunk Railway Company, relating to the International Bridge.”

“ An agreement between the Great Western Railway Company, and the London and Port Stanley Railway Company, for a lease of that Railway for a period of 21 years.

“ An agreement between the Great Western Railway Company, and The Welland Railway Company, for the use of 15 miles of that Railway for a period of 21 years.”

“ An agreement between the Great Western Railway Company, and The Hamilton and Lake Erie Railway Company, to secure running powers over that Railway.”

“ An agreement between the Great Western Railway Company, and The Detroit Tunnel Company, for providing for the interest, &c., of the Bonds, on the joint guarantee of the Great Western Railway and the Michigan Central Railway.”

It was proposed by Mr. S. HERAPATH, seconded by Mr. C. LEGG, and resolved—

“ That a vote of thanks be given to Mr. Joseph Price, Mr. W. K. Muir, and the rest of the staff in Canada, for their attention to the business of the Company.”

It was proposed by Lieutenant-Colonel C. MAKINS, seconded by Mr. W. W. CRYDER, and resolved—

“ That a cordial vote of thanks be given to the Chairman and Directors.”

The Meeting was then adjourned until 4 o'clock P.M. on Thursday, the 17th October, 1872, and then again adjourned until 5 o'clock on the same day, at which time the Chairman declared from the Report of the Scrutineers, Mr. W. W. Cryder and Mr. Thomas Adams, that the result of the election was as follows :—

From the Report of Mr. W. W. CRYDER—

	VOTES.
FOR Sir Thomas Dakin	77,285
” Mr. G. Homan	76,890
” Mr. J. Cleghorn	77,136
” Mr. J. Fildes	44,192
” Mr. James Bald	43,757
” Mr. Geo. Morphett	43,657

Mr. ADAMS, one of the Scrutineers, disallowing the proxies of those who were present at the Meeting, although not voting personally, reported the following numbers :—

	VOTES.
For Sir Thomas Dakin	71,833
” Mr. G. Homan	71,438
” Mr. J. Cleghorn	71,684
” Mr. J. Fildes	43,348
” Mr. Jas. Bald	42,913
” Mr. Geo. Morphett	42,813

The three retiring Directors were therefore declared duly re-elected.

The retiring Auditors—

Mr. John Young
” Sidney Smith
” Samuel Spreull
were also duly re-elected.

It was proposed and seconded, and resolved unanimously—

“ That the thanks of the Meeting be given to the Scrutineers.”

The Meeting then separated.