

FIRST PUBLISHED ANNUAL REPORT

OF THE

**Minneapolis, St. Paul & Sault Ste. Marie
Railway Company.**

FOR THE YEAR ENDING JUNE 30th, 1900.

**MINNEAPOLIS:
TRIBUNE PRINTING COMPANY,
1900.**

MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY COMPANY.

DIRECTORS.

THOMAS LOWRY,	-	-	-	-	-	-	Minneapolis, Minn.
JOHN MARTIN,	-	-	-	-	-	-	Minneapolis, Minn.
W. D. WASHBURN,	-	-	-	-	-	-	Minneapolis, Minn.
J. S. PILLSBURY,	-	-	-	-	-	-	Minneapolis, Minn.
C. H. PETTIT,	-	-	-	-	-	-	Minneapolis, Minn.
F. H. PEAVEY,	-	-	-	-	-	-	Minneapolis, Minn.
SIR WM. C. VAN HORNE,	-	-	-	-	-	-	Montreal, Quebec.
T. G. SHAUGHNESSY,	-	-	-	-	-	-	Montreal, Quebec.
R. B. ANGUS,	-	-	-	-	-	-	Montreal, Quebec.
W. H. BRADLEY,	-	-	-	-	-	-	Tomahawk, Wis.
WM. B. DEAN,	-	-	-	-	-	-	St. Paul, Minn.

OFFICERS. •

THOMAS LOWRY, <i>President.</i>	C. F. CLEMENT, <i>Sec'y and Treas.</i>
JOHN MARTIN, <i>Vice Pres't.</i>	C. W. GARDNER, <i>Auditor.</i>
E. PENNINGTON, <i>General Manager.</i>	

Transfer and Fiscal Agents, AGENTS' BANK OF MONTREAL, Wall
Street, New York.

Registrar of Stock and Bonds, CENTRAL TRUST Co., New York.

Annual Meeting, Third Tuesday in September at Minneapolis, Minn.

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This being the first printed report the Company has issued it is proper to give a brief history of the organization.

The Minneapolis, Sault Ste. Marie & Atlantic Railway Company was organized in the year 1883, under the general incorporation laws of the State of Wisconsin, and, during the years from 1884 to 1887, constructed and operated the line of road extending from Minneapolis to Sault Ste. Marie, a distance of 494 miles; the Minneapolis & Pacific Railway Company was organized in 1884 and the Minneapolis & St. Croix Railway Company in the year 1885, under the laws of Minnesota; the former Company constructed the line from Minneapolis to Boynton, N. D., in 1886 and 1887, about 288 miles. The Aberdeen, Bismarck & Northwestern Railway Company was organized in the year 1883, under the general incorporation laws of the Territory of Dakota; this Company graded and bridged a line from Aberdeen to Bismarck and acquired terminal properties in both places, but never laid any track.

In the year 1888 the above Companies were consolidated, and all their rights, properties and franchises united and vested in one single corporation, the Minneapolis, St. Paul & Sault Ste. Marie Railway Company, under the statutes and general laws of the states above referred to. The Consolidated Company thus acquired about 800 miles of road in operation. Its stock was issued to the extent of 140,000 shares Common and 70,000 Preferred, in exchange for the stock of the several constituent Companies.

The Minneapolis & Pacific Railway Company has issued \$4,290,000 and the Minneapolis, Sault Ste. Marie & Atlantic Railway Company \$10,000,000 five per cent. bonds.

The Consolidated Company executed a mortgage providing for the issuance of \$21,000,000 of bonds on the 800 miles of road already constructed and \$20,000 per mile on each additional mile thereafter constructed; sufficient of the bonds were reserved to retire at par value the bonds of the constituent Companies.

In 1890 an arrangement was effected whereby the holders of the outstanding Consolidated Bonds surrendered fifteen per cent. of the same and received in lieu thereof Income Certificates to the amount of \$771,000, due in 1900, and at the same time a reduction of the rate of interest from five to four per cent., the Canadian Pacific Company guaranteeing the latter amount; the same privilege, i. e., the Canadian Pacific Company's guarantee of four per cent. was extended to the holders of the M. & P. and M., S. Ste. M. & A. Bonds, and finally the entire issue of bonds was thus reduced to a four per cent. basis.

Since the consolidation the Company has extended its lines in Dakota to the Canadian boundary, where it connects with the Canadian Pacific Railway at Portal, thus making a through Pacific Coast Route from the Twin Cities, and has also extended the Boynton Line towards Bismarck to Braddock, a portion of the old grade of the Aberdeen, Bismarck & Northwestern being thus utilized; additional mileage has been added in Wisconsin and Michigan, so that the Company now owns 1,278 miles of road, all in excellent condition.

Sufficient mileage has been constructed to entitle the Company to issue \$1,128,000 of its first consolidated mortgage bonds and which are available for extensions or improvements when required.

The Gross Earnings as compared with the previous year show an increase of 18.4 per cent.; Operating Expenses, 3.7 per cent.; Net Earnings, 37.7 per cent.; Fixed Charges, Taxes and Terminal Rentals, 13.6 per cent.; Surplus Earnings, 134.9 per cent.; Passenger Earnings, 32.3 per cent., and Freight Earnings, 16 per cent.

The Fixed Charges were increased during the year by the issuance of \$3,500,000 of four per cent. (4%) second mortgage bonds; the proceeds of these bonds were used to retire Income and Interest Dividend Certificates, aggregating \$970,241.58, payment of the amount advanced by the Canadian Pacific Railway Company for Construction and Equipment Account, payment of Car Trust Notes, purchase and improvement of the Minneapolis Terminals, purchase of additional Equipment, etc.

During the year the line from Rapid River north to Trenary, a distance of twenty-four miles, was completed.

The Company purchased grounds for Freight Terminals at Minneapolis, and a Freight House, 50x500, with two-story office at one end, is now building; also a Passenger Station for the accommodation of local trains.

The grounds are centrally located and as convenient and desirable as any in the city; they will contain three miles of tracks, including main line and storage tracks, which will be ample to take care of the business at that point; the grounds are now being graded and the entire plant will be ready for occupancy by October 1st. A considerable saving of Terminal Rental will thus be effected.

During the year forty (40) miles of sixty-pound steel rails were re-laid with seventy-two pound steel, and an additional thirty-three (33) miles are now being replaced with eighty-pound rails; when completed, the Company will have two hundred (200) miles of heavy steel between Minneapolis and Gladstone; the line from Valley City to Portal, N. D., a distance of 262.86 miles, was provided with seventy-two pound rails when constructed; the balance of the line is laid with sixty-pound rails.

During the year 2,641 lineal feet of wooden bridges were filled with earth, and eight wooden span bridges were replaced with steel spans, thus making further repairs unnecessary; the cost of the wooden spans was charged to Operating Expenses. One hundred (100) miles of road was ballasted with gravel.

The Company's Equipment is in excellent condition, and was increased during the year by the purchase of two hundred (200) Freight Cars, of sixty thousand pounds capacity

each, equipped with air brakes and automatic couplers; also, forty (40) new Refrigerator Cars.

The Company's large, general shops at Shoreham received general repairs, including new roofs and four new steam boilers; also, extensive repairs were made to the Coal, Merchandise, Flour and Ore Docks at Gladstone, Mich., thus insuring decreased maintenance expenses; the high standard of the balance of the buildings has been maintained, and, in fact, the road-bed, buildings and other fixtures were never in better condition and repair than at present.

The work of the Industrial Development Department during the past few years is apparent in the substantial increase in settlers and farm acreage and the establishment of numerous industries along the line, all of which have contributed toward the increased earnings of the year.

The average rate per ton per mile was 6.58 mills as compared with 5.80 mills during the preceding year. The average miles operated during the year was 1,285.74; the Gross Earnings per mile were \$4,006.39 as compared with \$3,470.07 per mile during the previous year, and \$2,446.32 during the year 1894 on an average of 1,188.71 miles.

Following will be found statements in detail of the Earnings, Expenses and other statistical information.

Respectfully submitted,

THOMAS LOWRY, *President.*

E. PENNINGTON *General Manager.*

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Following will be found statements in detail of the Earnings, Expenses and other statistical information.

Respectfully submitted,

THOMAS LOWRY, *President.*

E. PENNINGTON *General Manager.*

**EXPENDITURES ACCOUNT
OF BETTERMENT AND IMPROVEMENT TO MAIN LINE.**

Year Ending June 30, 1900.

Right of Way Main Line.....	\$ 5,760.32
Grading—Filling Wooden Bridges.....	37,152.11
Ballasting.....	5,812.54
Fencing in North Dakota.....	287.56
Telegraph Line—Brantwood, Armstrong Ck., and Rudyard	613.54
Additions to Water Supply and Coaling Plants.....	3,493.36
Steel Span Bridges (8).....	\$ 57,798.50
Less charged against Operating.....	38,382.22
New Rails (40 miles) difference between 60 and 72 lb. steel	19,416.28
Automatic Freight Conveyers at Gladstone, Mich.....	17,829.64
Terminal Tracks and Facilities at Rhinelander—Improvements to same..	9,380.71
Improvements to miscellaneous buildings.....	17,876.64
Shoreham Yards—Additional Tracks and Improvements..	479.46
Spaulding Spur track.....	8,455.05
Additional Passing and Side Tracks.....	8,890.45
	36,905.04
	<hr/>
	\$ 172,352.70
Less material taken from track.....	4,662.07
	<hr/>
	\$ 167,690.63

CONDENSED GENERAL BALANCE SHEET, JUNE 30, 1900.*Debits.*

Cost of road, acquired lines, extensions and equipment.....		\$53,792,294.81
Real estate owned		414,093.11
Stocks and bonds owned—		
St. Paul Union Depot Stock	\$43,750.00	
Western Express Company stock. ...	25,000.00	
Sault Ste. Marie Bridge Co. Stock...	500.00	
Minn. Transfer Ry. Co. stock and bonds	15,000.00	
Treasury stock, this Company	225,600.00	
Chapin Mining Co. bonds.....	40,200.00	
		\$350,050.00
Material and supplies on hand.....		669,576.77
Due from—		
Foreign roads.....	\$74,218.76	
Agents and conductors.....	265,082.33	
U. S. Postoffice Department.....	50,089.74	
Bills and accounts receivable	127,421.59	
Cash—Minneapolis, New York, London and Montreal.....	1,217,568.51	
Total cash and cash assets.....		\$1,734,380.93
Other advances and accounts.....		21,361.15
		<u>\$56,981,756.77</u>

Credits.

Capital Stock—		
Common.....	\$14,000,000.00	
Preferred.....	7,000,000.00	
		\$21,000,000.00
Funded Debt—		
First Mortgage M. & P. bonds, 4% ..	\$3,089,000.00	
First Mortgage M., S. S. M. & A. bonds, 4%.....	8,239,000.00	
First Consol. Mortgage bonds, 4%....	18,180,000.00	
Second Mortgage bonds, 4%.....	3,500,000.00	
		33,008,000.00
Income and interest certificates outstand'g		35,023.40
Bills payable—		
Car Trust notes.....	668,697.31	
Western Express Co.....	25,000.00	
Mortgage notes on real estate.....	83,000.00	
		776,697.31
Interest accrued on bonds due July 1st...		587,280.00
Taxes accrued, not yet due.....		105,411.43
Current liabilities—		
Vouchers and accounts payable.....	\$591,888.46	
Pay rolls.....	216,576.06	
		808,464.52
Income account		660,880.11
		<u>\$56,981,756.77</u>

INCOME ACCOUNT, JUNE 30, 1900.

To Balance June 30, 1899.	\$ 219,991.70
Operating Expenses.....	2,554,582.99
Interest on Bonds.....	1,320,360.00
Terminal Rentals.....	129,158.94
Taxes.....	241,809.26
Interest on Equipment Notes.....	9,324.46
Interest, Discount and Exchange.....	199.09
Accounts charged off.....	17,646.36
Balance.....	660,880.11
	<u>\$5,153,952.91</u>
By Freight Earnings.....	\$3,974,398.70
Passenger Earnings.....	822,908.78
Mail Earnings.....	195,144.67
Express Earnings.....	80,744.06
Miscellaneous Earnings.....	77,991.70
Dividends on Stock owned.....	2,625.00
Interest on Bonds owned.....	140.00
	<u>\$5,153,952.91</u>
By Balance June 30, 1900.....	\$ 660,880.11

Detailed Statement of Earnings and Expenses, Comparative.

EARNINGS.			
	1898.	1899.	1900.
From Freight.....	\$3,247,309.25	\$3,426,985.96	\$3,974,399.70
From Passengers.....	562,791.38	621,792.95	822,908.78
From Mails.....	157,356.03	177,193.96	195,144.67
From Express and Miscellaneous.....	125,242.58	122,612.17	158,735.76
Total Gross Earnings.....	\$4,132,699.24	\$4,348,585.04	\$5,151,187.91
OPERATING EXPENSES.			
MAINTENANCE OF WAY AND STRUCTURES.			
Repairs of Roadway.....	\$246,524.47	\$283,362.51	\$283,805.61
Renewals of Rails.....	6,428.04	2,700.10	Cr. 460.08
Renewals of Ties.....	72,912.02	94,961.33	115,427.83
Repairs and Renewals, Bridges and Culverts.....	54,716.93	75,633.23	71,729.33
Repairs and Renewals, Fences, Road Crossings, Signs and Cattle Guards.....	6,467.65	7,018.76	7,143.05
Repairs and Renewals, Buildings and Fixtures.....	44,769.68	53,432.36	37,829.94
Repairs and Renewals, Docks.....	5,283.08	10,129.30	12,788.27
Repairs and Renewals, Wharfs.....	226.01	190.65	.....
Repairs and Renewals, Telegraph.....	6,922.64	8,571.88	9,042.85
Stationery and Printing.....	532.30	460.69	340.35
Other Expenses.....	49.55	.....	.....
Total.....	\$444,832.37	\$536,403.81	\$537,647.15
MAINTENANCE OF EQUIPMENT.			
Superintendence.....	\$11,077.18	\$5,730.06	\$5,735.12
Repairs and Renewals, Locomotives.....	131,002.08	145,348.30	178,108.41
Repairs and Renewals, Passenger Cars.....	48,100.31	58,476.51	54,790.56
Repairs and Renewals, Freight Cars.....	191,273.42	208,694.49	165,848.41
Repairs and Renewals, Work Cars.....	10,805.52	8,346.92	13,049.56
Repairs and Renewals, Shop Machinery and Tools.....	14,249.26	19,013.38	14,251.92
Stationery and Printing.....	1,465.38	1,167.96	1,410.67
Other Expenses.....	10,974.96	15,494.25	12,897.87
Total.....	\$419,048.11	\$462,721.87	\$445,792.52
GENERAL EXPENSES.			
Salaries General Officers.....	\$27,943.68	\$25,083.25	\$25,655.49
Salaries, Clerks and Attendants.....	37,236.79	42,511.91	43,615.55
General Office Expenses and Supplies.....	13,478.86	13,888.11	11,089.35
Insurance.....	12,943.72	12,498.65	10,776.27
Law Expense.....	13,476.37	13,672.49	11,636.39
Stationery and Printing.....	2,764.31	2,496.88	3,638.50
Other Expenses.....	4,501.72	6,653.57	5,144.80
Total.....	\$112,345.45	\$116,804.86	\$111,626.35
CONDUCTING TRANSPORTATION.			
Superintendence.....	\$57,143.68	\$61,152.48	\$59,307.75
Engine and Round House Men.....	228,426.70	251,929.14	233,185.33
Fuel for Locomotives.....	262,021.77	278,558.08	306,453.56
Water Supply for Locomotives.....	12,537.58	13,595.55	14,381.71
Oil, Tallow and Waste for Locomotives.....	8,081.00	10,058.50	9,190.44
Other Supplies for Locomotives.....	3,178.06	3,982.03	3,020.51
Freight Train Service.....	125,609.89	142,364.76	142,050.75
Freight Train Supplies and Expenses.....	16,966.22	19,171.16	14,658.30
Passenger Train Service.....	42,038.02	48,976.19	44,457.85
Passenger Train Supplies and Expenses.....	20,931.61	24,776.57	25,965.84
Switchmen, Flagmen and Watchmen.....	37,571.84	38,084.98	37,780.54
Telegraph Expenses.....	48,304.35	52,747.06	50,345.00
Station Service.....	175,523.92	154,894.67	105,538.92
Station Supplies.....	10,185.59	13,514.98	10,617.38
Switching Charges, Balance.....	220.71	Cr. 2,897.00	Cr. 435.63
Car Mileage Balance.....	40,116.87	55,420.05	32,862.35
Hire of Equipment.....	2,020.56	Cr. 3,668.17	Cr. 4,291.86
Damage and Loss of Freight and Baggage.....	8,681.34	10,845.41	5,418.13
Damage to Property, Including Live Stock.....	4,708.50	2,853.16	8,944.02
Injuries to Persons.....	15,590.94	29,981.07	25,867.12
Clearing Wrecks.....	1,561.43	3,806.34	3,081.30
Operating Gladstone Ore Docks.....	8,235.78	5,178.59	7,961.74
Operating Gladstone Flour and Mds. Docks.....	5,846.30	27,364.94	87,264.38
Operating Gladstone Coal Docks.....	3.42	.....	.....
Operating Ferry Dock.....	.....	2,043.77	.....
Advertising.....	9,499.29	12,812.12	12,242.79
Outside Agencies.....	93,613.08	94,692.86	85,873.14
Stock Yards and Elevators.....	5,656.82	5,706.61	6,101.87
Rents of Buildings and Other Property.....	2,901.61	2,531.99	2,284.49
Stationery and Printing.....	14,589.94	12,949.15	18,851.14
Other Expenses.....	8,338.87	6,460.80	7,994.37
Dining Car Expenses.....	84.86	Cr. 1,370.46	.....
Operating Yards, Tracks and Terminals.....	76,353.07	77,721.66	92,841.47
Total.....	\$1,261,479.66	\$1,347,324.88	\$1,459,516.97
Total Operating Expenses.....	\$2,237,705.59	\$2,463,315.42	\$2,554,582.99
Net Earnings.....	\$1,894,993.65	\$1,885,269.62	\$2,596,604.92
Percentage of Expenses to Earnings.....	64.1 percent.	66.6 percent.	49.6 percent.

EXPENDITURES ACCOUNT
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Right of Way Main Line.....	\$	5,760.32
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Spaulding Spur track.....		8,890.45
Additional Passing and Side Tracks.....		36,905.04
	\$	172,352.70
Less material taken from track.....		4,662.07
	\$	<u>167,690.63</u>

COMPARATIVE STATEMENT OF EARNINGS AND EXPENSES.

EARNINGS.

	1900.	1899.	1898.	1897.	1896.	1895.	1894.
Freight.....	\$3,974,366.70	\$3,426,985.96	\$3,287,309.25	\$2,867,234.88	\$3,009,718.73	\$1,975,818.59	\$2,172,885.99
Passenger.....	822,008.78	621,792.96	562,791.38	477,148.23	475,704.15	380,819.37	546,622.10
Mail.....	185,144.67	177,193.96	157,353.08	155,547.73	160,333.34	182,962.38	88,646.28
Express.....	89,744.06	58,430.14	62,563.79	40,365.12	32,016.98	10,292.02	12,799.01
Miscellaneous.....	77,991.70	64,182.03	72,648.79	58,136.10	58,104.00	46,383.13	86,999.76
Total.....	\$5,151,187.91	\$4,348,585.04	\$4,132,609.24	\$3,598,362.06	\$3,735,872.90	\$2,537,275.49	\$2,907,963.14

EXPENSES.

Maintenance of way and structures.....	\$537,647.15	\$536,463.81	\$444,832.37	\$404,984.55	\$388,232.86	\$358,477.63	\$453,172.09
Maintenance of Equipment.....	445,792.52	462,721.87	419,048.11	396,289.19	450,927.41	267,647.18	324,415.16
Conducting transportation.....	1,459,516.97	1,347,324.88	1,261,479.66	1,240,638.21	1,252,066.79	968,558.62	1,068,725.97
General expenses.....	111,626.35	116,804.86	112,945.45	117,383.18	119,356.97	119,370.08	292,017.82
Total.....	\$2,554,583.99	\$2,463,315.42	\$2,237,705.59	\$2,159,296.13	\$2,210,584.03	\$1,714,064.51	\$2,138,331.04
Percentage earnings and expenses.....	49.6 per cent	56.6 per cent	54.1 per cent	60 per cent	59.1 per cent	67 per cent	73.5 per cent
Net earnings.....	\$2,598,604.92	\$1,885,269.62	\$1,894,903.65	\$1,438,066.93	\$1,525,288.17	\$843,220.98	\$769,632.10
Fixed charges and other items, taxes and terminal rentals.....	\$1,715,733.11	\$1,510,212.37	\$1,492,806.56	\$1,442,366.35	\$1,520,923.50	\$1,357,220.26	\$1,103,646.79
Surplus.....	880,871.81	375,067.25	402,187.09	.....	4,364.67	.....	.....
Deficit.....	.....	.....	.....	3,299.42	.....	513,996.28	394,014.69
Average miles operated.....	1,285.74	1,263.17	1,195	1,184.86	1,188.71	1,186.71	1,188.71
Earnings per mile.....	\$4,006.39	\$3,470.07	\$3,458.32	\$3,066.96	\$3,142.80	\$2,151.30	\$2,446.32

ADDITIONS AND IMPROVEMENTS TO EQUIPMENT.*Year Ending June 30th, 1900.*

200 Box Cars—60,000 lbs. capacity.....	\$153,071.89
375 Cars, equipped with M. C. B. Couplers.....	5,475.67
392 Cars, equipped with Air Brakes.....	22,237.69
40 Refrigerator Cars.....	37,627.62
Equipment for New Dining Car.....	642.55
	<u>\$219,055.42</u>

EQUIPMENT RENEWAL ACCOUNT.

35 Box Cars destroyed, less 10 Rebuilt.....	\$ 9,114.79
4 Flat Cars destroyed.....	1,500.24
8 Locomotives sold and scrapped.....	66,533.00
2 Cabooses destroyed.....	1,650.00
6 Ore Cars destroyed.....	2,712.00
	<u>81,510.03</u>
Net Additions for one year.....	<u>\$137,545.39</u>

TRAFFIC AND MILEAGE STATISTICS, 1900.**TRAIN MILEAGE.**

Freight revenue trains.....(Miles)	1,618,312
Passenger revenue trains.....	845,602
Mixed revenue trains.....	386,270
Non-revenue trains.....	105,591
Total train mileage.....	<u>2,955,775</u>

FREIGHT TRAFFIC.

Tons of freight carried.....	3,102,244
Tons of freight carried one mile.....	603,856,370
Tons of freight carried one mile per mile of road.....	469,656
Average distance haul of one ton.....(miles)	194.65
Average amount received for each ton of freight.....	\$1.28
Average rate per ton per mile.....	6.58 mills
Freight Earnings per mile of road.....	\$3,095.17
Freight Earnings per train mile.....	<u>\$1.98½</u>

PASSENGER TRAFFIC.

Number of passengers carried earning revenue.....	436,813
Number of passengers carried one mile.....	37,543,998
Number of passengers carried one mile per mile of road.....	29,200
Average distance carried.....(miles)	85.95
Average amount received from each passenger.....	\$1.88
Average rate per passenger per mile.....(cents)	2.19
Passenger Earnings per mile of road.....	\$888.96
Passenger Earnings per train mile.....(cents)	<u>92.78</u>

MISCELLANEOUS.

Gross Earnings per mile of road.....	\$4,006.39
Operating Expenses per mile of road.....	\$1,986.86
Mileage of Passenger Cars.....	5,867,640
Average number of passenger cars per train.....	4.76
Average number of passengers per train.....	30
Mileage of loaded freight cars—North or East.....	19,340,001
Mileage of loaded freight cars—South or West.....	20,562,326
Mileage of empty freight cars—North or East.....	5,886,641
Mileage of empty freight cars—South or West.....	5,649,500
Average number of freight cars in train.....	25.66
Average number of loaded cars in train.....	19.91
Average number of tons freight in train.....	301.24
Average number of tons freight in each loaded car....	15.13
Average mileage operated during the year.....	<u>1,285.74</u>

EQUIPMENT OWNED JUNE 30th, 1900.

Locomotives.....	97
Passenger Cars—	
First Class Coaches.....	12
Second Class Coaches.....	14
Combination Cars.....	6
Sleepers.....	8
Tourist Sleepers.....	20
Diners.....	4
Buffet.....	2
Baggage, Mail and Express.....	18
Official.....	2
Total Passenger Cars.....	86
Freight Cars—	
Caboose.....	70
Box.....	5,555
Flat.....	682
Ore.....	144
Stock.....	98
Refrigerator.....	73
Charcoal.....	49
Ballast.....	51
Logging.....	20
Furniture.....	10
Total Freight Cars.....	6,752
Miscellaneous—	
Tool Cars.....	3
Steam Shovels.....	3
Pile Drivers.....	2
Ditchers.....	2
Rotary Snow Plows.....	1
Total Miscellaneous.....	11

Wall St. Jour. Apr 24/99

SOO LINE DEVELOPMENTS.

Through this bond issue of \$5,000,000, Soo Line will be converted from a second class to a first class property. It will become much more valuable to Canadian Pacific as a feeder at Sault Ste. Marie on the east and Portal (Canadian boundary line) on the west. But it will be judged entirely on its own merits. Its statements show that with the \$5,000,000 to be raised it ought to earn dividends all right, but it will be judged entirely by what it does and not by what it has done. According to the resolution passed by the Canadian Pacific, \$3,500,000 are to be spent as follows:

For terminal yards and facilities at Minneapolis, increased accommodation at divisional and intermediate points, permanent bridges and general additions and improvements	\$950,000.00
For redemption of interest bearing securities, coming due, and for payments on account of rolling stock equipment already purchased, and for additional equipment estimated to be required	1,675,000.00
For payment of floating debt incurred for additions and improvements to the property, including amount advanced by the Canadian Pacific Railway Company for that purpose, but not including amount advanced by that company on account of interest on bonds which will be distributed over a term of years	875,000.00
	<hr/>
	\$3,500,000.00

The remainder of the said bonds, namely, one million five hundred thousand dollars, or its equivalent in sterling money, is to be afterwards certified by the trustees from time to time in such amounts as the Soo Company, by resolution of its board of directors may direct, the written concurrence and approval of this company having been first obtained; provided that the said remainder of the said bonds or any part thereof shall not be disposed of, or the proceeds thereof applied, except as Canadian Pacific from time to time first authorize and approve of in writing.

As a matter of fact, the \$1,500,000 will be used for extension work. Soo Line now has a branch running to Kulm, N. D., a good wheat country, and it will certainly be extended to Bismark, N. D., where it will connect with Northern Pacific. This extension of about 27 miles may not be built before next year. Later on the line may be extended beyond Bismarck, and eventually connect with the Canadian Pacific further West. It is destined to be a much more powerful competitor of Northern Pacific and Great Northern for wheat traffic than it has ever been.

The following stock of the Soo Line is held by the Canadian Pacific, which also holds a corresponding control of Duluth, South Shore & Atlantic:

Four per cent. consolidated mortgage, guaranteed . .	\$3,679,000
Preferred stock (constituting a majority)	3,533,400
Ordinary stock (constituting a majority)	7,066,000

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