

EIGHTH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF

The Canadian Northern Railway Company



For the Year ended 30th June, 1910

CANADIAN NORTHERN RAILWAY COMPANY

BOARD OF DIRECTORS

MR. WILLIAM MACKENZIE	-	-	-	Toronto, Ont.
MR. D. D. MANN	-	-	-	“ “
MR. Z. A. LASH, K.C.	-	-	-	“ “
MR. FREDERIC NICHOLLS	-	-	-	“ “
MR. R. M. HORNE-PAYNE	-	-	-	London, Eng.

GENERAL OFFICERS

MR. WILLIAM MACKENZIE	-	-	-	-	<i>President</i>
MR. D. D. MANN	-	-	-	-	<i>Vice-President</i>
MR. D. B. HANNA	-	-	-	-	<i>Third Vice-President</i>
MR. Z. A. LASH, K.C., LL.D.	-	-	-	-	<i>Senior Counsel</i>
HON. F. H. PHIPPEN, K.C.	-	-	-	-	<i>General Counsel</i>
MR. W. H. MOORE	-	-	-	-	<i>Secretary</i>
COL. A. D. DAVIDSON	-	-	-	-	<i>Land Commissioner</i>
MR. M. H. MACLEOD	-	-	-	-	<i>General Manager</i>
MR. GEO. H. SHAW	-	-	-	-	<i>Traffic Manager</i>
MR. C. E. FRIEND	-	-	-	-	<i>General Auditor</i>
MR. L. W. MITCHELL	-	-	-	-	<i>Treasurer</i>
MR. J. D. MORTON	-	-	-	-	<i>Assistant Comptroller</i>

LONDON (ENGLAND) OFFICES

BOND COURT, WALBROOK, LONDON, E.C.

MR. R. M. HORNE-PAYNE	-	-	-	-	<i>Director representing the Company in Europe</i>
MR. H. W. HARDING	-	-	-	-	<i>Local Secretary</i>
MR. SCOTT GRIFFIN	-	-	-	-	<i>Manager, Steamships, London</i>

CANADIAN NORTHERN RAILWAY COMPANY

Eighth Annual Report of the Directors

SUBMITTED TO THE SHAREHOLDERS OF THE COMPANY AT THE
ANNUAL GENERAL MEETING HELD AT THE COMPANY'S
OFFICES IN TORONTO ON SATURDAY, THE
FIFTEENTH DAY OF OCTOBER, 1910.

To the Shareholders:—

The result of the Company's operations for the fiscal year ended 30th June, 1910, are as follows:—

<u>GROSS EARNINGS.</u>	
From Passenger Traffic.....	\$2,415,440.39
From Freight Traffic	10,102,510.36
From Express, Mail, Telegraph, Dining and Sleeper Cars, Interest and profits from Elevators and other Subsidiary Companies	1,315,110.88
	<u>\$13,833,061.63</u>
<u>WORKING EXPENSES</u> (including Taxes, &c.),	<u>\$9,488,671.60</u>
Net Earnings.....	\$4,344,390.03
Fixed Charges (as per statement, page 18)	<u>3,313,632.58</u>
Surplus for the year	<u>\$1,030,757.45</u>

The Gross Earnings show an increase of \$3,251,293.70, or 30.7%, and in Net Earnings of \$778,027.86, or 21.82%, over the preceding year.

The Working Expenses, including all Taxes, were 74.01% of the Gross Earnings of the Railway proper and 68.59% of the Gross Earnings from all sources, compared with 72.55% and 66.30% respectively last year.

An examination of the Gross Earnings shows that the development of the territory tributary to your Railway is proceeding with great rapidity. In Passenger receipts the increase is \$486,754.04, or 25.24%, over last year, and to keep pace with the demand for train service considerable new Passenger Equipment is now on order. The receipts from Freight Traffic also show a substantial increase over last year, the figures being \$2,621,184.42, or 35.04%. In this connection your attention is directed to the statement of Freight Carried on page 20 of the Annual Report, from which it will be seen that in the movement of Grain, Live Stock, Immigrants' Effects, Lumber and Building Materials generally your Company shows a very substantial increase over the previous year.

It is gratifying to your Directors that the Dominion Government figures of grain reported at Winnipeg show that not only has your Railway increased its business but that the proportion of the total crop carried by your Railway increases year by year. The returns for the crop of 1909 show that your Company carried 31% of the total shipments from the Provinces of Manitoba, Saskatchewan and Alberta. This your Directors submit is a very satisfactory showing having regard to the comparatively short time which your Railway has been in existence, and also especially in view of the fact that the Company has operated but a few years in the Province of Saskatchewan, and more recently still in the Province of Alberta. The remarkable increase in Immigrants' Effects of 1,939 cars, or 62%, over the previous year, and 12,211 cars, or 128% over

the year 1909 of coarse building materials, are gratifying proofs of both kinds of expansion in your territory, viz., the opening up of new districts and the improvement in the quality of commercial and domestic construction in the towns. The larger centres reached by your Railway, such as Winnipeg, Regina, Saskatoon, Prince Albert and Edmonton, have grown considerably during the year, but the expansion, as indicated by the haulage of heavy building materials, applies to practically every district which your Railway serves. Commercial conditions generally throughout Western Canada are reflected in the substantial increase in Freight Revenues from the movement of Westbound business.

The average mileage operated during the year was 3,179, compared with 3,013 the preceding year. The most noteworthy of the lines taken over from the Construction Department by the Railway Company is that from Zealandia to Kindersley on the Saskatoon-Calgary Line, which has opened up a remarkably extensive and fertile tract of country. During the early spring as many as 40 carloads of Immigrants' Effects were daily being hauled to Kindersley, which, although a town of less than one year old, has nearly one thousand inhabitants. It is expected the line will reach Calgary at an early date, and give that most important city its first competitive railway. The mileage actually brought into operation does not fully represent the extent of the growth of your railway during the year. Considerable stretches of line which have been constructed had not been formally taken over by the Operating Department at the close of the fiscal year, although an Immigration service was being furnished by the Construction Department into several districts hitherto unreached by railways.

The expansion of lines already in hand assures considerable development in the immediate future. The tapping of the enormous timber limits of the Crooked Lake region,

northwest of Prince Albert, has already been commenced. Construction work has already been started on the Branch Line to the Brazeau Coal Fields, which will furnish an inexhaustible supply of the finest fuel to Central Alberta and Western Saskatchewan. It is hoped that with the completion of the line from Morinville to Athabasca Landing to bring much nearer development the asphalt and other deposits in the Athabasca District.

The crop results have proved more conclusively than ever the wisdom of building your Railway through diversified territory. It happens this year that Southern Manitoba and the country adjacent to the United States has a crop below the average, but in the Northern Districts, where your line has immense territory tributary to it, the crops are if anything above the average. Your more experienced officers who have been through the country report that your Company may expect to carry as much grain from the crop of 1910 as it did from the crop of 1909, the satisfactory conditions of the crop of 1910 being due to the better weather conditions prevailing in the northern half of the wheat-growing country, and there being an increased acreage under cultivation in all sections of the Prairie Provinces reached by your line. It may be taken as established, therefore, that with so vast an extent of producing country as is covered by your line a general crop failure is practically impossible. For the further development of the resources of the country served by your Railway there is needed only a continuance of immigration to meet the demand for labor, which is as great to-day as it has ever been in Canada, and in that connection arrangements have been completed for a more extended campaign in Great Britain, as your Directors most earnestly desire to see the best class of men from home settled along the Company's line.

The Land Sales during the year were 246,996 acres, for \$2,561,072.52—an average of \$10.36 per acre compared

with 116,662 acres for \$1,091,722.37—an average of \$9.36 per acre last year. Among the sales is one to a Colonization Company which purposes to establish settlers of the very best class in the districts east of Prince Albert, which is especially suitable for mixed farming, and which, by reason of its wooded character, appeals strongly to settlers from Great Britain. Since the close of the fiscal year a number of other sales have been made at higher values per acre and others are pending. The result to date in respect to land sales has been very gratifying to your Directors. In February, 1899, an issue of \$2,000,000 of Land Grant Bonds was authorized secured by certain lands. A reference to the general balance sheet shows that after providing for the retirement of the total issue there is a surplus of \$2,733,378.67 in the hands of the Trust Company belonging to your Company, in addition to which there is a balance of deferred payments still to collect of \$597,671.97. In June, 1909, a further issue of £1,027,400, or \$5,000,013.32, of Land Grant Bonds was authorized, secured by specific lands. Sales to the amount of \$2,260,810.13 under this mortgage have been made on the deferred payment plan and with the collections your Directors have retired £53,000, or \$257,933.32, of the bonds, thus reducing the amount of bonds outstanding at the close of the fiscal year to £974,400, or \$4,742,080. The general position in regard to land sales is as follows:—

Cash held by the National Trust Com- pany	\$ 4,733,378.67
Deferred payments due Railway Co., on land sales	8,231,249.09
	<u>\$12,964,627.76</u>
Less Land Grant Bond issue	
February, 1899	\$2,000,000
Land Grant Bond issue	
June, 1909	4,742,080
	<u>6,742,080.00</u>
Surplus belonging to Railway Co.	\$ 6,222,547.76

In addition to which the Railway Company has still 1,151,017 acres of land to dispose of, having a value, on the basis of present prices, of not less than \$14,000,000.

Your Directors are glad to report that two more important steps have been taken during the year towards making the Canadian Northern a Transcontinental Railway with its own Trans-oceanic connections. A contract has been entered into between the Canadian Northern Pacific Railway Company (which was separately incorporated on account of necessary arrangements in connection with the proposed issue of securities guaranteed by the Government of the Province of British Columbia) and the Government of British Columbia for the construction of the line from the Province of Alberta to the Pacific Coast, a distance approximately of 500 miles. The contract calls for the completion of the work within four years, and your Directors have not only every reason to anticipate that it will be finished within the stipulated time, but that when it is completed and in operation it will prove of tremendous traffic advantage to the Canadian Northern Railway System as a whole.

Through a subsidiary Company, viz., The Canadian Northern Steamships Limited, your Directors now operate the two fastest steamers in the British-Canadian service, viz., "Royal Edward" and "Royal George." These steamers are Triple Turbine vessels built by The Fairfield Company of Glasgow, Scotland, are over 12,000 tons each, with a speed exceeding 20 knots. They furnish a fortnightly service between Bristol, Quebec and Montreal, and carry His Majesty's Mails. Bristol was chosen as the British port because of its contiguity to Canada, its admirable dock facilities and the opportunity it affords of securing freight and passenger business from the Midlands, the West of England, and South Wales. The service was inaugurated in May last and the result of the season's work so far is quite as satisfactory as your Directors anticipated.

During the year, and by the authority of the Shareholders, various issues of securities were made on account of the construction of additional lines. In respect to the two issues, each of £600,000, four per cent. first mortgage debenture stock guaranteed as to principal and interest by the Provinces of Saskatchewan and Alberta, respectively, on certain branch lines to be constructed, your Directors desire to say that whilst the progress of the work of construction has been quite satisfactory none of the lines were completed before the close of the fiscal year. The payments authorized by the Treasurers of the respective Governments have been charged to "advances to lines under construction" and the balance unexpended appears on the General Balance Sheet to the credit of both Governments. The interest paid on these securities is not a charge on the current year's business.

Near the close of the fiscal year an issue was made of £950,000 Duluth, Winnipeg & Pacific Railway Company four per cent. First Mortgage Debenture Stock, which your Company, with the approval of the Government of the Dominion of Canada, agreed to guarantee as to principal and interest. The Duluth Company owns the entire Capital Stock of the Duluth, Rainy Lake & Winnipeg Railway Company, which operates a line from Fort Frances on your Company's main line southerly to Virginia (Minnesota) and is now constructing a continuation of about 78 miles to Duluth, where it has already acquired very valuable terminal properties. The importance of this connection to your Company cannot be over-estimated because of the ever-increasing movement of Passenger and Freight traffic passing through the Duluth gateway to and from the United States and Western Canada. In addition to this the Duluth Company has obtained an exclusive contract with the Virginia & Rainy Lake Lumber Company (having an annual capacity of 250 million feet) for the haulage of all its logs and lumber. The Railway also has tributary to

it the immense iron ore mines of the Missabe Range and shipments must be carried by rail to the Great Lakes for furtherance by water carriers to destination. The operation, too, of one of the largest pulp and paper mills in the United States at International Falls, near Fort Frances, will contribute largely to the gross revenue of the Duluth Line, it being estimated that when the complete plant is in operation it will represent the haulage of over one million tons of raw or finished products annually, the greater tonnage of which will be handled by the Duluth Company. Instead, therefore, of being called upon to make any payments under the guarantee it is expected that the arrangement will add materially to the gross revenue of your Company.

In keeping with the policy of the Company your Directors continue to incur large expenditures in betterments of the property. During the year additional Car Trust obligations were created to the amount of \$3,000,000.00, and \$1,650,000.00 repaid in respect to previous obligations, thus making a net increase on the account of \$1,350,000.00. Considerable mileage has been relaid with heavy steel. New stations and Freight Houses have been built and existing Buildings extended at many points. Industrial tracks have been built or extensions made to existing sidings and generally an intelligent regard has been had to the pressing necessities of a development which can only be characterized as remarkable in its growth.

Toward the close of the financial year your Directors, under the authority of the Shareholders, arranged for an issue of 5% 20-Year Income Charge Convertible Debenture Stock, secured by a general charge on properties of the Company subject to prior charges. The total amount of this stock at any time outstanding is not to exceed an amount equal to \$10,000 per mile of the Company's lines of railway. During the years 1916, 1917 and 1918 holders of the stock have the right to exchange their holdings for an equal amount of fully paid ordinary shares in the

capital stock of the Company. The interest on the stock, at a rate not exceeding 5% per annum, is payable only out of the net earnings of the Company. In and after 1920 the Company is entitled to redeem the stock at par.

Since the close of the financial year \$5,000,000 of this stock has been disposed of upon satisfactory terms and, as you will see by the figures given in the annual statements now submitted to you and by its present earnings, the Company will be in a position to meet the full interest during the coming year.

A handwritten signature in cursive script, reading "W. MacKenzie". The signature is written in dark ink and is underlined with a single horizontal line.

President.

To the BOARD OF DIRECTORS.

Herewith I beg to submit the accounts of the Company,
together with the various statements of operation for the
fiscal year ended 30th June, 1910.

A handwritten signature in black ink, appearing to be 'W. H. ...', written in a cursive style.

Third Vice-President.

CONDENSED GENERAL

At 30th

ASSETS.

To COST OF RAILWAY AND EQUIPMENT...		\$133,782,348.08
Acquired Securities (Cost)		5,725,060.21
(See page 16)		
Advances to other Companies.....		1,819,227.32
Advances to Lines under construction and Terminals at Winnipeg..		7,864,010.89
Value of Material and Supplies on hand	\$1,412,162.18	
Due from Agents, Station Balances, etc.	612,650.72	2,024,812.90
Deferred Payments on Land Sales..	8,231,249.09	
Cash with National Trust Co., account of Land Sales.....	4,733,378.67	12,964,627.76
Cash Account—		
With Dominion Government.....	975,751.94	
With Province of Manitoba.....	1,710,199.20	
With Province of Saskatchewan...	2,076,478.83	
With Province of Alberta.....	3,314,306.12	
Cash on hand.....	1,796,968.10	9,873,704.19

\$174,053,791.35

NOTE—In addition to the above assets the Company owns 1.151.017 acres of land in Manitoba and Saskatchewan.

BALANCE SHEET

June, 1910.

LIABILITIES.

BY CAPITAL STOCK.....		\$55,000,000.00
BONDS AND STOCK (Guaranteed by Government)		44,490,210.02
FOUR PER CENT. PERPETUAL CON- SOLIDATED DEBENTURE STOCK.....		33,058,049.97
LAND GRANT BONDS.....		6,742,080.00
1899.....	\$ 2,000,000.00	
1909.....	4,742,080.00	
		<hr/>
CAR TRUST OBLIGATIONS.....		11,121,862.87
CURRENT LIABILITIES—		
Unpaid Pay Rolls	736,267.37	
Unpaid Audited Vouchers.....	944,104.10	
Due to other Companies (net)....	2,538,280.49	4,218,651.96
		<hr/>
Coupon and Dividend Warrants due on 1st July (since paid)...	1,642,225.89	
Accrued Interest on Bonds and Equipment Securities.....	224,562.92	1,866,788.81
		<hr/>
EQUIPMENT REPLACEMENT FUND.....		108,258.31
GROSS LAND SALES.....	14,497,029.42	
<u>Less</u>		
LAND GRANT BONDS (Issue 1899), as above, the money to redeem which is in the hands of the National Trust Company	2,000,000.00	
		<hr/>
SURPLUS—		
Land Grant Account.....	12,497,029.42	
Railway Account	4,950,859.99	17,447,889.41
		<hr/>
		<u>\$174,053,791.35</u>

Certified Correct.

D B. HANNA,
Third Vice-President.

ACQUIRED SECURITIES

The Minnesota & Ontario Bridge Co.	
4½ per cent. First Mortgage Deben- ture Bonds	\$ 180,000.00
Capital Stock	100,000.00
The Minnesota & Manitoba R.R.	
5 per cent. General Mortgage Bonds	250,000.00
Capital Stock	400,000.00
The Lake Superior Terminals Co., Limited.	
5 per cent. Mortgage Gold Bonds..	2,000,000.00
Capital Stock	500,000.00
The Canadian Northern Telegraph Co.	
5 per cent. General Mortgage Bonds	800,000.00
Capital Stock	500,000.00
The Winnipeg Land Co., Limited.	
5 per cent. First Mortgage Gold Bonds	300,000.00
Capital Stock	100,000.00
The Canadian Northern Coal & Ore Dock Co.	
5 per cent. First Mortgage Bonds..	375,000.00
The St. Boniface & Western Land Co.	
5 per cent. First Mortgage Bonds..	750,000.00
Capital Stock	250,000.00
The Edmonton & Slave Lake Railway Co.	
5 per cent. First Mortgage Bonds..	420,000.00
The Canadian Northern Prairie Lands Co.	
Capital Stock	483,393.55
	\$7,408,393.55

STATEMENT OF INCOME ACCOUNT, 30TH JUNE, 1910

<p>JUNE 30th, 1910.</p> <p>To Operating Expenses.....\$ 9,341,486.41 Taxes, Railway 96,693.73 Taxes on Company's Lands..... 50,491.46</p> <p><i>Interest on Bonds, etc.:</i></p> <p>Consolidated Debenture Bonds, guaranteed by the Government of Manitoba.....\$478,451. Ontario Division Debenture Bonds, guaranteed by the Government of Manitoba... 230,706.77 Three per cent. Debenture Stock, guaranteed by the Dominion of Canada..... 280,799.84 Consolidated Debenture Stock..1,150,055.26 Qu'Appelle, Long Lake & Saskatchewan Ry. four per cent. Debenture Stock.... 202,055.96 Qu'Appelle, Long Lake & Saskatchewan Ry. six per cent. Bonds 1,927.20 Land Grant four per cent. Bonds 191,532.51</p> <p style="text-align: right;">\$ 2,535,529.21</p> <p><i>Rental of Leased Lines:</i></p> <p>Northern Pacific & Manitoba Railway 210,000.00 Minnesota & Manitoba Railroad 13,960.00</p> <p>Interest on Equipment Securities Accrued Interest to June 30th, 1910 224,562.92 Less accrued interest at June 30th, 1909, paid during the current year 196,147.53</p> <p>Balance of Income Account...</p>	<p>JUNE 30th, 1909.</p> <p>By Balance of Income Account at 30th June, 1909, as per Annual Report.....\$ 3,948,517.93</p> <p>JUNE 30th, 1910.</p> <p>By Gross Earnings, viz.:</p> <p>Passenger Earnings\$ 2,415,440.39 Freight Earnings 10,102,510.36 Express, Mail and Miscellaneous Earnings 1,315,110.88</p> <p style="text-align: right;">13,833,061.63</p>
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\$17,781,579.56

By Balance to credit of Income Account June 30th, 1910, \$ 4,950,859.99

DETAILS OF FIXED CHARGES FOR YEAR ENDED 30TH JUNE, 1910

GUARANTEED AS TO PRINCIPAL AND INTEREST BY THE GOVERNMENT OF MANITOBA

AMOUNT	DATE OF ISSUE	ANNUAL CHARGE
4% Bonds, £2,497,800†.....	30th June, 1904.....	\$478,451.67
4% Bonds, £1,180,600*.....	30th September, 1901.....	\$230,706.77

GUARANTEED AS TO PRINCIPAL AND INTEREST BY THE DOMINION GOVERNMENT OF CANADA

3% Stock, £1,923,287	29th July, 1903.....	\$280,799.84
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Four Per Cent. Perpetual Consolidated Debenture Stock

£6,792,750\$.....	\$1,150,055.26
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Qu'Appelle Guaranteed Four Per Cent. 30 Year Mortgage Debenture Stock

£1,037,972	17th October, 1906	\$202,055.96
£ 6,600 (Six Per Cent. First Mortgage Bonds, 1911)..		1,927.20

Four Per Cent. Land Grant Bonds

£ 980,400	15th February, 1909	\$191,532.51
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Leased Lines

Northern Pacific and Manitoba Railway.....	\$210,000.00
Minnesota & Manitoba Railroad.....	13,960.00
Interest on Equipment Securities.....	554,143.37

\$3,313,632.58

NOTE—†4% Consolidated Debenture Bonds. A proportionate amount of this issue is held in trust for the exchange of the following amount of former issues still outstanding:—

£ 10,000	1st August, 1896
£105,300	1st February, 1899
£233,700	1st February, 1899
£ 1,700	1st November, 1900

*Ontario Division. 4% Ontario Division Debenture Bonds.

£36,200 of this issue is held in trust for exchange for the same amount of previous loan outstanding, dated 6th July, 1900.

§For part of year only.

GROSS EARNINGS, OPERATING EXPENSES AND NET EARNINGS

COMPARED WITH PREVIOUS FISCAL YEAR

Gross Earnings

Per Cent.	1909	Class	1910	Per Cent.
18.23	\$1,928,686.35	Passenger	\$2,415,440.39	17.46
70.70	7,481,325.94	Freight	10,102,510.36	73.03
00.70	74,382.40	Mails	77,599.06	00.56
01.04	109,776.80	Express	145,904.36	01.06
09.33	987,596.44	Miscellaneous	1,091,607.46	07.89
100.	\$10,581,767.93	Total	\$13,833,061.63	100.

Operating Expenses

Per Cent.	1909	Class	1910	Per Cent.
20.03	\$1,405,212.68	{ Maintenance of Way & Struct's }	\$2,047,830.97	21.58
17.12	1,200,581.20	{ Maintenance of Equipment }	1,840,112.42	19.39
01.83	128,722.35	Traffic Expenses	153,512.02	01.62
54.93	3,853,588.04	{ Transportation Expenses }	4,879,153.36	51.42
06.09	427,301.49	General Expenses	568,062.83	05.99
100.	\$7,015,405.76	Total	\$9,488,671.60	100.

Summary of Earnings and Expenses

Per Cent.	1909	Class	1910	Per Cent.
66.30	\$10,581,767.93	Gross Earnings	\$13,833,061.63	68.59
33.70	7,015,405.76	Operating Expenses	9,488,671.60	31.41
	3,566,362.17	Net Earnings	4,344,390.03	
100.				100.

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DESCRIPTION OF FREIGHT CARRIED

		For Year Ended June 30	
		1910	1909
Flour	Sacks (100 lbs. ea.)	1,789,768	1,380,207
Grain	Bushels	37,355,010	27,113,077
Live Stock (all kinds)	Head	123,635	91,546
Logs and Lumber .	Feet	294,647,000	247,452,000
Firewood	Cords	189,535	177,231
Fish	Tons	5,832	4,547
Immigrants' Effects	Cars	5,068	3,129
Building Material (Lime, Stone, Brick, Sand, etc.)	Cars	21,758	9,547
Miscellaneous.	Tons	1,266,669	1,073,872

EARNINGS, EXPENSES AND NET EARNINGS

FROM JULY 1, 1902, TO JUNE 30, 1910.

Year	Average Miles Operated	Earnings	Expenses	Net Earnings
1902-03	1,276	\$ 2,449,579.33	\$1,589,293.47	\$ 860,285.86
1903-04	1,349	3,242,702.69	2,120,772.43	1,121,930.26
1904-05	1,586	4,190,211.96	2,644,729.64	1,545,482.32
1905-06	2,064	5,903,755.61	3,674,732.85	2,229,022.76
1906-07	2,509	8,350,198.08	5,424,163.65	2,926,034.43
1907-08	2,866	9,709,462.71	6,676,775.82	3,032,686.89
1908-09	3,013	10,581,767.93	7,015,405.76	3,566,362.17
1909-10	3,179	13,833,061.63	9,488,671.60	4,344,390.03

Per Mile Operated

Year	Average Miles Operated	Earnings	Expenses	Net Earnings
1902-03	1,276	\$1,918.23	\$1,244.55	\$ 673.68
1903-04	1,349	2,402.71	1,571.40	831.31
1904-05	1,586	2,641.37	1,667.55	973.82
1905-06	2,064	2,860.34	1,780.39	1,079.95
1906-07	2,509	3,328.09	2,161.88	1,166.21
1907-08	2,866	3,387.81	2,329.65	1,058.16
1908-09	3,013	3,512.04	2,328.38	1,183.66
1909-10	3,179	4,351.39	2,984.80	1,366.59

PASSENGER, FREIGHT AND MISCELLANEOUS STATISTICS

COMPARED WITH PREVIOUS FISCAL YEAR.

	1910	1909	Increase or Decrease	Per Cent.
PASSENGER TRAFFIC.				
Passengers carried (Earning Revenue).....	1,268,296	1,028,787	239,509	23.28
Passengers carried one mile.....	106,217,424	78,044,255	28,173,169	36.10
Passengers carried one mile per mile of Road.....	33.412	25.902	7.510	28.99
Average distance carried.....	83.75	75.86	7.89	10.40
Total Passenger Revenue..... \$	2,320,520.52	1,829,703.25	490,817.27	26.82
Average amount received per passenger..... \$	1.82.96	1.77.85	.05.11	2.87
Average amount received per passenger per mile..... Cts.	.02.184	.02.344	.00.160	6.83
Total Passenger Train Earnings..... \$	2,638,943.81	2,112,845.55	526,098.26	24.90
Passenger Train Earnings per Train mile..... \$	1.08.115	1.04.453	.03.662	3.50
FREIGHT TRAFFIC.				
Revenue Tons carried.....	3,809,856	2,958,802	851,054	28.76
Revenue Tons carried one mile.....	1,356,351,140	1,000,875,386	355,475,754	35.52
Revenue Tons carried one mile per mile of Road.....	426,659	332,185	94,474	28.44
Average distance haul of one Ton.....	356.01	338.27	17.74	5.24
Total Freight Revenue..... \$	9,955,289.93	7,370,376.28	2,584,913.65	35.07
Average amount received for each Ton of Freight..... \$	2.61.303	2.49.100	.12.203	4.90
Average Revenue per Ton per mile..... Cts.	.00.734	.00.736	.00.002	0.27
Total Freight Train Earnings..... \$	10,102,510.36	7,481,325.94	2,621,184.42	35.04
Freight Train Earnings per Train mile..... \$	2.59.086	2.46.189	.12.897	5.24
PASSENGER AND FREIGHT, Etc.				
Gross Earnings per mile of Road..... \$	4,351.39	3,512.04	839.35	23.90
Operating Expenses per mile of Road..... \$	2,984.80	2,328.38	656.42	23.19
Net Earnings per mile of Road..... \$	1,366.59	1,183.66	182.93	15.45
Amount required per mile of Road to pay Fixed Charges, including Leased Lines..... \$	868.03	809.45	58.58	7.23
TRAIN MILEAGE.				
Mileage of Passenger Trains.....	2,440,870	2,022,778	418,092	20.67
Mileage of Freight Trains.....	3,809,280	3,038,859	860,421	28.31
EXPENSES PER TRAFFIC TRAIN MILE.				
Maintenance of Way and Structures..... Cts.	32.30	27.76	4.54	16.35
Maintenance of Equipment..... Cts.	29.02	23.72	5.30	22.34
Traffic Expenses..... Cts.	02.42	02.54	.12	4.72
Transportation Expenses..... Cts.	76.96	76.14	.82	1.08
General Expenses..... Cts.	08.96	08.41	.52	6.16
Total..... \$	1.49.66	1.38.60	.11.06	7.98

SUMMARY OF EQUIPMENT

	At 30th June, 1910	At 30th June, 1909
Locomotives	372	346
Sleeping and Dining Cars	43	39
Passenger Coaches	203	164
Baggage and Mail and Express Cars.....	79	72
Business Cars	11	7
Freight, Refrigerator and Stock Cars.....	11,735	9,465
Conductors' Vans	184	118
Boarding, Tool, Auxiliary Cars, Steam Shovels and Snow Equipment	416	355

MILES OF RAILWAY

The total number of miles of railway owned and operated, including leased lines, at the close of the fiscal year ended 30th June, 1910, was 3,325 miles, made up as follows:

<i>Lake Superior Division (District No. 1)</i>		
Port Arthur to Winnipeg.....	438.6	
Stanley Junction to Gunflint.....	66.9	
Emerson Junction to South Junction.....	72.7	
	578.2	
<i>Central Division (District No. 2)</i>		
Portage Junction to International Boundary...	62.8	
Morris to Somerset.....	62.1	
Hartney Junction to Brandon.....	39.8	
Carman Junction to Belmont.....	118.8	
Belmont to Virden.....	91.5	
Greenway to Adelpha.....	52.1	
Arizona Junction to Morris & Brandon Junction	77.0	
Brandon to Regina.....	220.0	
Winnipeg to Delta Junction.....	56.7	
Delta Junction to Delta.....	14.8	
Oakland to Totogan.....	17.3	
Oak Point Junction to Oak Point.....	60.4	
Winnipeg Transfer Tracks.....	11.2	
Winnipeg to West of Dundee.....	8.7	
	893.2	
<i>Northern Division (District No. 3)</i>		
Delta Junction to Kamsack.....	222.0	
Neepawa Junction to McCreary Junction.....	70.4	
Gilbert Plains Junction to Prince Albert.....	360.6	
Sifton Junction to Winnipegosis.....	21.2	
Rosburn Junction to Russell.....	104.2	
Brandon Junction to Carberry Junction.....	22.8	
Thunderhill Junction to End of Steel.....	40.8	
	842.0	
<i>Western Division (District No. 4)</i>		
Kamsack to Humbolt.....	146.4	
Humbolt to North Battleford.....	147.6	
Battleford to Battleford Junction.....	8.0	
North Battleford to Vermilion.....	124.5	
Vermilion to Edmonton.....	129.8	
Edmonton to Morinville.....	22.9	
Edmonton to Stoney Plains.....	21.4	
Dalmeny to Laird.....	28.1	
	628.7	
<i>Southern Division (District No. 5)</i>		
Qu'Appelle, Long Lake & Saskatchewan Railway	255.5	
Saskatoon to Kindersley.....	127.4	
	382.9	
	3,325.0	
Located as follows:		
Province of Ontario.....	353.7	
Province of Manitoba.....	1,530.9	
Province of Saskatchewan.....	1,182.5	
Province of Alberta.....	214.2	
State of Minnesota.....	43.7	
	3,325.0	
Average mileage operated for fiscal year, 3,179 miles.		