REPORT OF THE PROCEEDINGS

AT THE

THIRTIETH ANNUAL MEETING

OF THE SHAREHOLDERS OF THE

CANADIAN PACIFIC RAILWAY CO.

HELD ON

WEDNESDAY, OCTOBER 4TH, 1911.

AT THE

GENERAL OFFICES OF THE COMPANY, AT MONTREAL

Canadian Pacific Railway Company

REPORT

OF THE PROCEEDINGS AT THE THIRTIETH ANNUAL MEETING OF THE SHAREHOLDERS HELD AT MONTREAL ON WEDNESDAY, OCTOBER 4TH, 1911.

The meeting assembled, in conformity with the notice convening the same, at noon, at the General Offices of the Company, at Montreal.

The Chairman of the Company, Sir Thomas G. Shaughnessy, K.C.V.O., presided, and the Secretary of the Company acted as Secretary of the meeting.

The notice calling the meeting having been read by the Secretary, the President, Sir Thomas G. Shaughnessy, in moving the adoption of the report on the affairs of the Company for the fiscal year ended June 30th, 1911, which had been printed and distributed to the shareholders, said:—

I have the honour to submit, on behalf of the Directors, the Thirtieth Annual Report of the Company's affairs for your consideration and approval.

The volume of passenger and freight traffic even exceeded our expectations, with the very gratifying result that your gross operating revenue for the year was over one hundred and four million dollars.

The additional acreage under crop this year at the estimated average yield per acre will furnish largely increased tonnage for the transportation companies, and, although the quality of the wheat has been injuriously affected in some portions of Western Canada where bad weather prevailed during the harvest season, it is apparent that the financial return to the producers will be very large indeed.

The expenditures in the year for the upkeep of the property were, as you will no doubt have noticed, on quite a liberal scale, and as a consequence your railway and equipment are in an excellent state of efficiency.

It is expected that the seventy-five miles of the Georgian Bay and Seaboard Railway between Coldwater and Bethany, in Ontario, a portion of the shorter and more economical route between Georgian Bay and the head of ocean navigation, will be completed this autumn, and such progress has been made with the construction of the various branch lines in Western Canada that about 374 miles will be finished within the next couple of months and added to the mileage that is being operated.

It will not only be desirable but necessary to continue to build year by year a good many miles of these branch lines to provide present and incoming settlers with transportation facilities, more miles, indeed, than you would have been called upon to provide had the Dominion and Provincial Governments, who have pledged their credit almost beyond the limit of prudence to assist other railway companies, insisted that these companies should open up new territory instead of building their lines through settled sections of the country where ample transportation facilities already existed.

It is evident that on some portions of the system the time is almost at hand when a single track will not accommodate your growing traffic without congestion and increased expense, and, therefore, your Directors are of opinion that the double track should be continued westward from Brandon to Medicine Hat, a distance of about 524 miles, as rapidly as the work can be done without undue interruption to the train service.

With all that has been done during the past seven or eight years, we find that at points like Montreal, Toronto, Ottawa, Fort William, Winnipeg, Calgary and Vancouver, we must still further enlarge our accommodation for passengers and freight. Nearly all of the requisite property has been acquired, and the various works will be carried to completion as soon as possible.

It is important that modern and commodious shops should be provided for the maintenance and repair of the large number of cars and locomotives now in service on your lines in Alberta, and it has been decided that for present and future convenience and economy Calgary will be the best location for these shops, provided that suitable arrangements can be made with the city authorities.

The outcome of the first season's work on the irrigation system in what is known as the Eastern Block is very gratifying. The great dam at the Horse Shoe Bend of the Bow River, south of Bassano, is almost finished, and before the close of the season upwards of six million yards of material will have been moved in making ditches. This should ensure the completion of the work within the next two years, but, of course, some of the land can be served with water before that time.

After more than twenty years of immunity from serious accident of any nature to our fleet on the Pacific Ocean, we were so unfortunate as to lose the steamship "Empress of China", wrecked on the coast of Japan, July 27th last. Another steamship to take the place of the "Empress of China", but twice as large and costly, will be provided at the expense of the steamship replacement fund.

Very favourable business conditions exist throughout all the territory served by your lines in Canada, and there would appear to be ample justification for expecting their continuance. West of Lake Superior there is a universal spirit of confidence and buoyancy, and, while there is some apprehension that real estate values are, in certain localities, on rather a speculative basis, there is room for serious error in this regard because of the business strides that are being made by almost every city and town of any importance.

It will be disappointing if the immigration next year is not larger than ever before, and with our country's advantages so well known and recognized all over the world, there would appear to be no good reason why we should not have an increasing number of new-comers year by year for a long time to come. If this be the case there will be no halt in the activity and progress of the West.

The commerce and manufactures of Eastern Canada are in a thriving state, as indicated by the quantity of goods that is being shipped. The increase in the demand for a great many articles previously manufactured abroad, or that had only been made in Canada in a small way, encouraged the establishment of new industrial works, as well as the enlargement of existing ones, thus furnishing employment for thousands of additional workmen, so that in point of increased population Eastern Canada has quite kept pace with the West. With the continuance of good times in the agricultural districts the commercial interests of the country will be proportionately benefitted, and those who are engaged in manufacturing enterprises should feel warranted in making such additions to their works and employing such additional workmen that large consumers of material in Canada will no longer be compelled to go abroad to meet any portion of their requirements.

The Shareholders, the Directors and the Executive are to be congratulated on having a most capable staff of officers and employees, to whose united efforts the signal success of the Company's operations may be attributed.

Since the close of the fiscal year the Company and the Board of Directors met with another serious loss by the death on July 13th of Mr. Robert Meighen, who joined the Board in 1908. Mr. Meighen was a good citizen, a capable and upright business man, and had been a warm friend and supporter of the Company from its inception.

Sir William Whyte, who as Vice-President was for many years in special charge of the Company's interests west of Lake Superior, and who recently retired from active service, has been elected a member of the Board to fill the vacancy caused by Mr. Meighen's death.

The report having been considered, it was moved by Sir Thomas G. Shaughnessy, seconded by Richard B. Angus, Esq., and unanimously

Resolved,—That the report on the affairs of the Company for the fiscal year ended 30th June, 1911, now submitted, be and the same is hereby adopted.

The following resolution relating to the lease to this Company of the South Ontario Pacific Railway Company, referred to in the Annual Report, was submitted, and on motion of Robert Reford, Esq., seconded by W. H. Evans, Esq., was unanimously adopted, viz :—

Resolved,—That the Indenture of Lease from the South Ontario Pacific Railway Company as Lessor to this Company as Lessee, of which a draft is submitted to this Meeting, endorsed by the Secretary for the purpose of identification, be and the same is hereby sanctioned and approved, which Indenture, amongst other things, demises to this Company for the term of 999 years, the whole of the railways and branches which the said South Ontario Pacific Railway Company has been by law authorized to construct, and whether constructed or to be constructed, including a railway now under construction from a point at or near Guelph Junction to a point at or near the City of Hamilton, all in the Province of Ontario, a distance of about 16½ miles, and all other railways or branches hereafter constructed by that Company, and their appurtenances, at an annual rental of a sum equal to the interest payable on all Bonds carrying interest at a rate not exceeding 4% per annum, payable half-yearly, which the Lessor may issue at the request of this Company expressed in writing under its Corporate Seal, the payment of such interest being guaranteed by this Company, and the aggregate of all such Bonds outstanding not to exceed $30,000 per mile of railway either constructed or under contract to be constructed.

And further, the President and Secretary be and they are hereby authorized to execute the said Indenture on behalf and under the Corporate Seal of this Company with such verbal changes, if any, as they may deem proper without altering the substance thereof as above described.

The following resolution relating to the lease to this Company of the Alberta Railway and Irrigation Company and the agreement with the same Company, referred to in the Annual Report, was submitted, and on motion of Sir Thomas Tait, seconded by W. H. Dickinson, Esq., was unanimously adopted, viz. :—

Resolved,—That the Indenture of Lease from and Agreement between the Alberta Railway and Irrigation Company as Lessor and Vendor and this Company as Lessee and Vendee of which a draft is submitted to this Meeting, endorsed by the Secretary for the purpose of identification, be and the same is hereby sanctioned and approved, which Indenture, amongst other things, demises to this Company, for the term of 999 years, the whole of the Railways and Branches of the Lessor Company, situated in the Province of Alberta, constructed, or to be constructed, and their appurtenances, and all the corporate powers possessed by the Lessor Company and such portion of all the other powers, rights, privileges, franchises and properties, real, personal and mixed, belonging to, possessed by or vested in the Lessor Company, in so far as the same is or may become necessary for the working of the said Railways and Branches, at an annual rental equal to 6% per annum on the whole of the outstanding ordinary Capital Stock of the Lessor Company, viz., $3,250,000, and which Indenture also includes the sale and conveyance to this Company of the whole of the Lessor Company's lands, Irrigation Works and Mines, and generally all the Assets and Properties of the Lessor Company, excepting those to be leased as aforesaid, in part consideration of the above payment on the Capital Stock and in part consideration of the assumption by this Company of all the obligations of the

Lessor Company, including its outstanding Debenture Stock, the interest of which will be paid by this Company half-yearly until redemption of same as provided for in the Trust Deed.

And further, the President and Secretary be and they are hereby authorized to execute the said Indenture of Lease and Agreement, and any Conveyance or Conveyances which may be necessary in order to carry into effect the objects of this Resolution on behalf of, and under the Corporate Seal of this Company, with such verbal changes, if any, as they may deem proper, not altering the substance thereof as above described.

The following resolution relating to the lease to this Company of the Esquimalt and Nanaimo Railway Company, was submitted, and on motion of Donald Macmaster, Esq., K.C., M.P., seconded by J. G. Scott, Esq., was unanimously adopted, viz :—

Resolved,—That the Directors be and they are hereby authorized and empowered to enter into a Lease from the Esquimalt and Nanaimo Railway Company, as Lessor, to this Company, as Lessee, of the Railways of that Company now constructed or to be hereafter constructed, including the railway now constructed and in operation from Victoria to Wellington on Vancouver Island, in the Province of British Columbia, a distance of about 78 miles, and the railway from Wellington to Alberni, a distance of about 60 miles, a portion of which railway, viz :—from Wellington to Cameron Lake, a distance of 30 miles, has been completed and is now in operation, and the remainder from Cameron Lake to Alberni is approaching completion, for a term of 99 years at a rental equal to the interest at the rate of 4% per annum, payable half-yearly on Mortgage Bonds guaranteed both as to principal and interest by this Company, and to be from time to time issued by the Esquimalt and Nanaimo Railway Company with the consent in writing and under the seal of this Company, the said bonds not to exceed in the aggregate the sum of $14,000 per mile in respect of the Railway from Victoria to Wellington and $30,000 per mile in respect of the Branch Railway from Wellington to Alberni and such other railways, branches and extensions as may be hereafter constructed; such lease to be in such form as may be approved of by the Directors of this Company; and further, that the former Resolution authorizing Lease of the said Company's Railways be and the same is hereby abrogated.

The following resolution relating to the issue of four per cent. Consolidated Debenture Stock on account of Branch Lines and Extensions of Branch Lines, referred to in the Annual Report, was submitted, and on motion of H. S. Holt, Esq., seconded by Sir William Whyte, was unanimously adopted, viz:—

Resolved,—Whereas the Branch Lines of Railway and Extensions set forth below have been constructed or are in course of construction, and it is deemed desirable that authority be given to the Directors to issue Consolidated Debenture Stock to meet the requisite expenditure in connection therewith.

It was therefore resolved, that the construction and equipment of the following Branch Lines and extensions of other branch lines which have been heretofore authorized, be and the same are hereby approved, that is to say:—

1. A branch in a Southerly and Southwesterly direction from Moose Jaw and known as the Moose Jaw Southwesterly Branch, a distance of 35 miles.

2. A Branch in a Northeasterly direction from Kerrobert, a point on the Moose Jaw Northwesterly Branch, and known as the Kerrobert Northeasterly Branch, a distance of 25 miles.

3. An extension in a Westerly direction of the Weyburn-Lethbridge Branch from the Westerly end of the Branch heretofore authorized, a distance of 21 miles.

4. A Branch in a Westerly and Northwesterly direction from Estevan on the Souris Branch, and known as the Estevan-Forward Branch, a distance of 55 miles.

5. A Branch in a Southerly and Southeasterly direction from Swift Current and known as the Swift Current Southeasterly Branch, a distance of 45 miles.

6. A Branch in a Northerly and Northwesterly direction from Swift Current and known as the Swift Current Northwesterly Branch, a distance of 35 miles.

7. A Branch in a Northwesterly direction from Wilkie on the Pheasant Hills Branch and known as the Wilkie Northwesterly Branch, a distance of 32 miles.

8. A Branch in a Southeasterly direction from Wilkie on the Pheasant Hills Branch, and known as the Wilkie-Anglia Branch, a distance of 31 miles.

9. A Branch in a Northerly and Northwesterly direction from Bassano, a point on the main line to Irricana, a point on the Langdon Branch, and known as the Bassano-Irricana Branch, a distance of 73 miles.

10. An extension in a Northwesterly direction of the Kipp-Aldersyde Branch, from the Northerly end of the Branch heretofore authorized, to Aldersyde, a distance of 27 miles.

And for the purpose of aiding the construction and equipment of the said Branch Lines and extensions of Branch Lines the Directors may issue and dispose of Consolidated Debenture Stock of the Company to such an amount as they may deem expedient, not exceeding in the aggregate an amount equal to £6000 sterling per mile in respect of the Moose Jaw Southwesterly Branch, the Swift Current Southeasterly Branch, the Swift Current Northwesterly Branch, the Bassano-Irricana Branch, the Kerrobert Northeasterly Branch and the Wilkie-Anglia Branch, and £5000 sterling per mile in respect of the Wilkie Northwesterly Branch, the extension of the Weyburn-Lethbridge Branch, the Estevan-Forward Branch, and the extension of the Kipp-Aldersyde Branch.

The following resolution relating to the issue of four per cent. Consolidated Debenture Stock on account of steamships was submitted, and on motion of Henry Beatty, Esq., seconded by Maj. George R. Hooper, was unanimously adopted, viz:—

Resolved,—Whereas this Company has Statutory power to issue Consolidated Debenture Stock in aid of the acquisition of Steam Vessels to the extent of the cost thereof, upon being authorized so to do by the votes of at least two-thirds of the Shareholders present or represented at an Annual Meeting, or at a special meeting of the Shareholders duly called for the purpose;

And whereas the Fairfield Shipbuilding and Engineering Company has recently constructed for this Company at its Govan Shipyards on the Clyde, Scotland, two single screw Steamships named "Princess Adelaide" and "Princess Alice" respectively, each being about 290 feet long, with beam of about 46 feet, moulded depth of about 15 feet, triple expansion engines and a tonnage of about 2,000 tons;

And whereas the firm of Bow, McLachlan & Company, of Paisley, Scotland, have recently constructed for the Company a steel twin-screw passenger steamship named "Princess Mary", 210 feet long with beam of 40 feet, moulded depth of 14 feet, triple expansion engines, and a tonnage of about 1500 tons, and have entered into a contract for the construction for this Company of a steel single-screw passenger steamship named "Princess Sophia", about 245 feet long with beam of about 44 feet, moulded depth of 18 feet, triple expansion engines and a tonnage of about 2000 tons;

And whereas this Company has recently purchased the steel screw steam tug "Colima", 91 feet long, a beam of 22 feet, depth of hold 9 feet, and with compound engines;

And whereas, the total cost of the said five vessels, including rigging, appurtenances and auxiliaries, will amount to about the sum of £300,000 sterling;

And whereas this Company, pursuant to the authority given by the Shareholders on 2nd October, 1907, has entered into a contract for the construction for this Company by the said Fairfield Shipbuilding and Engineering Company at its said Govan Shipyards of two steel quadruple turbine steamships for this Company's Trans-Pacific Ocean service, to be named "Empress of Asia" and "Empress of Russia", such steamships to have a gross tonnage of 15,000 tons each, a length of 570 feet, moulded depth of 38 feet, beam of 68 feet, and the whole cost thereof, including rigging, appurtenances and auxiliaries, complete when delivered, being £500,000 sterling, each;

And whereas the Directors have decided to pay the cost of one of the last recited steamships out of "The Steamship Replacement Fund;"

And whereas, in order to provide funds for payment of the cost of one of the said steamships lastly above described, and of the four steamships firstly above described, and of the said tug and their rigging, appurtenances and auxiliaries, and pursuant to the power above recited, it is deemed advisable to create an issue of Consolidated Debenture Stock;

Now, therefore, it is resolved by the Shareholders present personally or represented by proxy at this meeting, that this Company is hereby authorized to create, issue and dispose of Consolidated Debenture Stock of this Company, payable in sterling money of Great Britain, and bearing interest not exceeding 4% per annum, to the amount of £800,000 sterling, for the purpose of paying the cost of the steamships above described and their rigging, appurtenances and auxiliaries; and that such Stock may be issued in such manner and in such amounts respectively as shall from time to time be determined by the Board of Directors who are hereby empowered to do or cause to be done every act, matter or thing which may become expedient or necessary in order to give effect to this Resolution, to create and issue such Stock according to the provisions of the Acts relating thereto, and to dispose of the same for the purposes herein set forth.

The following resolution moved by Sir William C. Van Horne, K.C.M.G., seconded by Wilmot D. Matthews, Esq., was unanimously adopted :—

Resolved,—That the Consolidated General By-laws of the Company enacted on this date by the Board of Directors, and now laid on the table, being General By-laws Nos. 1 to 54, both inclusive, be and the same are hereby approved.

The meeting then proceeded to the election of Directors to replace the four retiring Directors, and on motion of Sir Thomas G. Shaughnessy, K.C.V.O., seconded by Richard B. Angus, Esq., the following resolution was unanimously adopted, viz :—

Whereas, in pursuance of By-law No. 6, Sir William C. Van Horne, K.C.M.G., Richard B. Angus, Esquire, Edmund B. Osler, Esquire, M.P., and Herbert S. Holt, Esquire, Directors of the Company, retire from office at this meeting;

And whereas, four Directors to replace the said retiring directors, who are, however, eligible for re-election, must be elected at this meeting for the term of four years as provided for in the said By-law;

It is resolved,—That a ballot be now taken for the election of four Directors for the term of four years to fill the vacancies created as above stated ; that Charles Meredith, Esq., and Wm. R. Miller, Esq., be appointed scrutineers to take such ballot, and that the poll be closed when five minutes shall have elapsed without a vote being cast at such election.

The ballot having been taken, and no further votes having been cast within the specified time, the Chairman read the report of the scrutineers, which declared that Sir William C. Van Horne, K.C.M.G., Richard B. Angus, Esquire, Edmund B. Osler, Esquire, M.P., and Herbert S. Holt, Esquire, had been unanimously re-elected Directors of the Company for the term of four years from the date of this meeting.

The report of the scrutineers was read and adopted.

Prior to the conclusion of the meeting the following resolution, proposed by William H. Evans, Esq., seconded by George R. W. Notman, Esq., was submitted and carried by a standing vote, viz :—

Resolved,—That the Shareholders of the Canadian Pacific Railway Company hereby place on record their warm appreciation of the services of the President, Directors and Management of the Company, and tender them a hearty vote of thanks therefor.

The proceedings then terminated.

T. G. SHAUGHNESSY,
Chairman.

W. R. BAKER,
Secretary.

At a meeting of the Board held immediately after the shareholders meeting, Sir Thomas G. Shaughnessy, K.C.V.O., was re-elected President of the Company, and Mr. David McNicoll, Vice-President, and the following were appointed the

EXECUTIVE COMMITTEE.

MR. RICHARD B. ANGUS.
MR. DAVID McNICOLL.
MR. EDMUND B. OSLER, M.P.
SIR THOMAS G. SHAUGHNESSY, K.C.V.O.
THE RIGHT HON. LORD STRATHCONA AND MOUNT ROYAL, G.C.M.G.
SIR WILLIAM C. VAN HORNE, K.C.M.G.