

ANNUAL REPORT

OF THE

CANADIAN PACIFIC  
RAILWAY COMPANY

FOR THE

FISCAL YEAR ENDED JUNE 30TH

1912

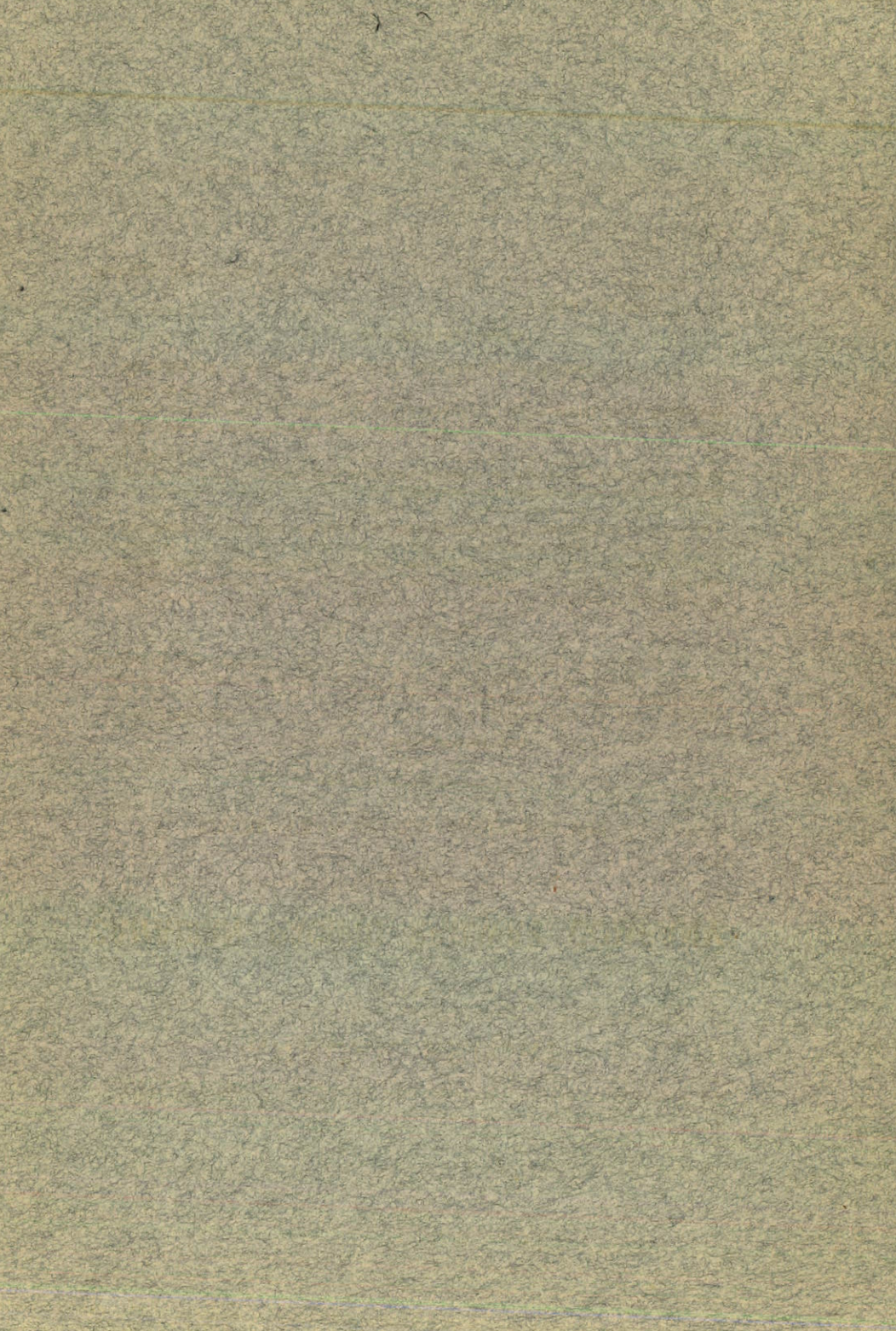
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MONTREAL, AUGUST, 1912

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ANNUAL REPORT  
OF THE  
CANADIAN PACIFIC RAILWAY COMPANY  
FOR THE  
FISCAL YEAR ENDED JUNE 30TH, 1912.

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NOTICE TO SHAREHOLDERS.

The Thirty-first Annual General Meeting of the Shareholders of this Company, for the election of Directors to take the places of the retiring Directors, and for the transaction of business generally, will be held on Wednesday, the second day of October next, at the principal office of the Company, at Montreal, at Twelve o'clock noon.

SPECIAL MEETING.

The Meeting will be made Special for the purpose of authorizing the issue of Consolidated Debenture Stock of the Company to acquire the outstanding securities of the Dominion Atlantic Railway Company and also for the purpose of considering, and, if approved, of authorizing an increase of the present authorized Ordinary Capital Stock of the Company by an amount not exceeding \$60,000,000 for the purposes of the Company, such increase of Stock to be issued according to the requirements of the Company and as may be determined by the Directors, and of adopting such Resolution or By-Law as may be deemed necessary in connection therewith in order to enable the Directors to give effect thereto.

The Common Stock Transfer Books will be closed in Montreal, New York and London at 1 p.m., on Saturday, the thirty-first day of August. The Preference Stock Books will be closed in London at the same time.

All books will be re-opened on Thursday, the third day of October.

By order of the Board,

W. R. BAKER,  
*Secretary.*

Montreal, August 12th, 1912.

## BOARD OF DIRECTORS.

MR. RICHARD B. ANGUS,	-	-	-	-	-	MONTREAL.
" ADAM R. CREELMAN, K.C.,	-	-	-	-	-	do
HON. JAMES DUNSMUIR,	-	-	-	-	-	VICTORIA, B.C.
SIR SANDFORD FLEMING, K.C.M.G.,	-	-	-	-	-	OTTAWA.
MR. HERBERT S. HOLT,	-	-	-	-	-	MONTREAL.
" CHARLES R. HOSMER,	-	-	-	-	-	do
HON. ROBERT MACKAY, SENATOR,	-	-	-	-	-	do
MR. WILMOT D. MATTHEWS,	-	-	-	-	-	TORONTO.
" DAVID McNICOLL,	-	-	-	-	-	MONTREAL.
SIR EDMUND B. OSLER, M.P.,	-	-	-	-	-	TORONTO.
SIR THOMAS G. SHAUGHNESSY, K.C.V.O.,	-	-	-	-	-	MONTREAL.
SIR THOMAS SKINNER, BART.,	-	-	-	-	-	LONDON, ENG.
THE RT. HON. LORD STRATHCONA & MOUNT ROYAL, G.C.M.G.,	-	-	-	-	-	do
SIR WILLIAM C. VAN HORNE, K.C.M.G.,	-	-	-	-	-	MONTREAL.
SIR WILLIAM WHYTE,	-	-	-	-	-	WINNIPEG.

## GENERAL OFFICERS.

SIR THOMAS G. SHAUGHNESSY, K.C.V.O., <i>President and</i> <i>Chairman of the Company,</i>	-	-	-	-	-	MONTREAL.
MR. D. McNICOLL, <i>Vice-President,</i>	-	-	-	-	-	do
" I. G. OGDEN, <i>Vice-President,</i>	-	-	-	-	-	do
" G. M. BOSWORTH, <i>Vice-President,</i>	-	-	-	-	-	do
" GEORGE BURY, <i>Vice-President and Gen. Mgr., Western Lines,</i>	-	-	-	-	-	WINNIPEG.
" W. R. BAKER, C.V.O., <i>Secretary, and Asst. to the President,</i>	-	-	-	-	-	MONTREAL.
" A. R. CREELMAN, K.C., <i>General Counsel,</i>	-	-	-	-	-	do
" E. W. BEATTY, <i>General Solicitor,</i>	-	-	-	-	-	do
" J. S. DENNIS, <i>Asst. to the President,</i>	-	-	-	-	-	CALGARY.
" J. W. LEONARD, <i>Asst. to the Vice-President,</i>	-	-	-	-	-	MONTREAL.
" F. L. WANKLYN, <i>General Executive Asst.,</i>	-	-	-	-	-	do
" R. MARPOLE, <i>Gen. Executive Asst. for British Columbia,</i>	-	-	-	-	-	VANCOUVER.
" H. E. SUCKLING, <i>Treasurer,</i>	-	-	-	-	-	MONTREAL.
" JOHN LESLIE, <i>Assistant Comptroller,</i>	-	-	-	-	-	do
" C. E. E. USSHER, <i>Passenger Traffic Manager,</i>	-	-	-	-	-	do
" W. R. MacINNES, <i>Freight Traffic Manager,</i>	-	-	-	-	-	do
" ARTHUR PIERS, <i>Manager of Steamship Lines,</i>	-	-	-	-	-	LIVERPOOL.
" J. G. SULLIVAN, <i>Chief Engineer, Western Lines,</i>	-	-	-	-	-	WINNIPEG.
" J. M. R. FAIRBAIRN, <i>Asst. Chief Engineer, Eastern Lines,</i>	-	-	-	-	-	MONTREAL.
" H. H. VAUGHAN, <i>Asst. to the Vice-President,</i>	-	-	-	-	-	do
" A. D. MacTIER, <i>Asst. to the Vice-President,</i>	-	-	-	-	-	do
" C. MURPHY, <i>Gen. Supt. of Transportation, Eastern Lines,</i>	-	-	-	-	-	do
" WILLIAM DOWNIE, <i>Gen. Supt. Atlantic Division,</i>	-	-	-	-	-	ST. JOHN, N.B.
" GEORGE HODGE, <i>Gen. Supt. Eastern Division,</i>	-	-	-	-	-	MONTREAL.
" J. T. ARUNDEL, <i>Gen. Supt. Ontario Division,</i>	-	-	-	-	-	TORONTO.
" J. J. SCULLY, <i>Gen. Supt. Lake Superior Division,</i>	-	-	-	-	-	NORTH BAY.
" D. C. COLEMAN, <i>Gen. Supt. Manitoba Division,</i>	-	-	-	-	-	WINNIPEG.
" J. G. TAYLOR, <i>Gen. Supt. Saskatchewan Division,</i>	-	-	-	-	-	MOOSE JAW.
" A. PRICE, <i>Gen. Supt. Alberta Division,</i>	-	-	-	-	-	CALGARY.
" F. W. PETERS, <i>Gen. Supt. British Columbia Division,</i>	-	-	-	-	-	VANCOUVER.
" JAMES KENT, <i>Manager of Telegraphs,</i>	-	-	-	-	-	MONTREAL.
" GEO. McL. BROWN, <i>European Manager, 62 to 65 Charing Cross,</i>	-	-	-	-	-	LONDON, S.W.
" R. D. MORRISON, <i>Deputy Secretary, 62 Charing Cross,</i>	-	-	-	-	-	do
" E. F. TREMAYNE, <i>Registrar of Transfers, do</i>	-	-	-	-	-	do
Agents of the Bank of Montreal, <i>Transfer Agents, 64 Wall St.,</i>	-	-	-	-	-	NEW YORK.
Montreal Transfer Office,	-	-	-	-	-	Office of the Secretary, MONTREAL.

## EXECUTIVE COMMITTEE

MR. RICHARD B. ANGUS,	MR. DAVID McNICOLL,
SIR 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.	

# CANADIAN PACIFIC RAILWAY COMPANY

## THIRTY-FIRST ANNUAL REPORT

OF THE

DIRECTORS OF THE CANADIAN PACIFIC RAILWAY COMPANY.

YEAR ENDED JUNE 30TH, 1912.

*To the Shareholders.*

The accounts of the Company for the year ended June 30th, 1912, show the following results:—

Gross Earnings.....		\$123,319,541.23
Working Expenses.....		80,021,298.40
Net Earnings.....		\$ 43,298,242.83
Net Earnings of Steamships in excess of amount included in monthly reports.....		1,104,448.79
		<u>\$ 44,402,691.62</u>
Deduct Fixed Charges.....		10,524,937.49
Surplus.....		\$ 33,877,754.13
Deduct amount transferred to Steamship Replacement Account.....	\$1,000,000.00	
Contribution to Pension Fund.....	125,000.00	
		<u>1,125,000.00</u>
		\$ 32,752,754.13
From this there has been charged a half-yearly dividend on Preference Stock of 2 per cent., paid April 1st, 1912.....	\$1,258,333.32	
And three quarterly dividends on Ordinary Stock of 1¼ per cent. each, paid January 2nd, 1912, April 1st, 1912, and June 29th, 1912.....	9,450,000.00	
		<u>\$ 10,708,333.32</u>
		\$ 22,044,420.81
From this there has been declared a second half-yearly dividend on Preference Stock, payable October 1st, 1912.....	\$1,333,901.94	
And a fourth quarterly dividend on Ordinary Stock of 1¼ per cent., payable October 1st, 1912.....	3,150,000.00	
		<u>\$ 4,483,901.94</u>
Leaving net surplus for the year.....		\$ 17,560,518.87
In addition to the above dividends on Ordinary Stock three per cent. was paid from Special Income.		

THE FOLLOWING ARE THE DETAILS OF SPECIAL INCOME FOR YEAR  
ENDED JUNE 30TH, 1912.

Balance at June 30th, 1911.....	\$2,702,205.20
Interest on Cash Proceeds and on Deferred Payments for land sold.....	1,817,774.37
Interest on Deposits and Loans .....	605,140.21
Interest on Can. Pac. Ry. 1st Mortgage Bonds acquired.....	61,612.00
Interest from Minneapolis, St. Paul & Sault Ste. Marie Ry. Bonds.....	159,720.00
Interest from Duluth, South Shore & Atlantic Ry. Bonds.....	100,000.00
Interest from Mineral Range Ry. Bonds.....	50,160.00
Interest from Toronto, Hamilton & Buffalo Ry. Bonds.....	10,840.00
Interest from Kingston & Pembroke Ry. Bonds.....	13,320.00
Interest from Dominion Government Bonds.....	182,500.00
Interest from Ontario Government Bonds.....	48,000.00
Interest from British Consols.....	114,569.44
Interest from Montreal & Atlantic Ry. Bonds, and on other Securities....	174,311.88
Dividend on St. John Bridge & Ry. Extension Co. Stock.....	50,000.00
Dividends on Dominion Express Co. Stock.....	160,000.00
Dividends on Minneapolis, St. Paul & S.S.M. Ry. Common Stock.....	890,645.00
Dividends on Minneapolis, St. Paul & S.S.M. Ry. Preferred Stock.....	445,326.00
Dividends on Alberta Ry. & Irrigation Company Stock.....	245,241.50
Dividend on West Kootenay Power & Light Co. Common Stock.....	27,500.00
Dividends on West Kootenay Power & Light Co. Preferred Stock.....	1,925.00
	<hr/>
	77,860,790.60
Less—Payments to Shareholders in dividends:	
September 30th, 1911, January 2nd, 1912, April 1st, 1912, and June 29th, 1912.....	5,400,000.00
	<hr/>
	\$2,460,790.60
From this a dividend has been declared, payable October 1st, 1912.....	1,350,000.00
	<hr/>
Leaving net surplus carried forward.....	\$1,110,790.60

2. The working expenses for the year amounted to 64.89 per cent. of the gross earnings, and the net earnings to 35.11 per cent., as compared with 64.77 and 35.23 per cent., respectively, in 1911.

3. Four per cent. Consolidated Debenture Stock to the amount of £2,252,516 was created and sold, and of the proceeds the sum of £1,481,592 was applied to the construction of authorized branch lines; £300,000 was used for acquisition of Steamships for Pacific Coast Service, as authorized; £5,000 was used to acquire a like amount of your Company's First Mortgage 5% Bonds; and the balance £465,924 was devoted to the acquisition of the bonds of other railway companies whose lines constitute a portion of your System, the interest on which had, with your sanction, been guaranteed by your Company.

4. Four per cent. Preference Stock to the amount of £1,976,390 was created and sold, the proceeds being used to meet capital expenditures that had your previous sanction.

5. Your guarantee of interest was endorsed on Four per cent. Consolidated Bonds of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company to the amount of \$1,520,000, issued and sold to cover the cost of 76 miles of railway added to that Company's railway system.

6. During the year 669,639 acres of agricultural land were sold for \$10,710,143.00, being an average of \$15.99 per acre. Included in this area there were 3,270 acres of irrigated land, which brought \$44.25 per acre, so that the average price of the balance was \$15.85 per acre.

7. Your Directors consider it desirable to extend the following branch lines of railway in Manitoba, Saskatchewan and Alberta, and will ask you to sanction the issue of the requisite amount of Four per cent. Consolidated Debenture Stock to meet the expenditures, viz.: Boissevain to Lauder—37 miles; Weyburn Lethbridge Branch—125 miles; Kerrobert Northeasterly Branch—11 miles; Wilkie Anglia Branch—

4 miles; Swift Current Northwesterly Branch—80 miles; Suffield Southwesterly Branch—55 miles.

8. There will be submitted for your consideration and approval a lease of the Kingston and Pembroke Railway, extending from Renfrew, on the Company's main line west of Ottawa, to Kingston, on the St. Lawrence River, and from the Village of Godfrey to Zanesville Mine, in the Province of Ontario, a total distance of 107.5 miles; a lease of the Alberta Central Railway, extending from Red Deer to Rocky Mountain House, in the Province of Alberta, a distance of 65 miles; an agreement with the St. Mary's and Western Ontario Railway Company cancelling existing arrangements and substituting a lease of their property for a period of 999 years at a rental equivalent to four per cent. per annum on bonds issued or to be issued by that company with your consent to an amount not exceeding \$25,000 per mile of their railway; and a deed of conveyance of the Cap de la Madeleine Railway, about 4 miles in length, connecting your Railway near Three Rivers, in the Province of Quebec, with Cap de la Madeleine, on the St. Lawrence River, and with the Wayagamack Pulp and Paper Company's works.

9. An indenture of lease from the Government of the Province of New Brunswick, as lessor, to this Company, as lessee, of the New Brunswick Coal and Railway for a term of 999 years at a rental of fifty per cent. of the net earnings of the said railway, as defined and calculated in the said proposed lease, will be submitted for your sanction. This railway extends from a point in the vicinity of Minto, in the County of Sunbury, to a point of junction with the Intercolonial Railway, near Norton, in the County of Kings, in the Province of New Brunswick, a distance of approximately 58 miles, and will form a portion of a connection between your Railway and a coal mine in the Province of New Brunswick, now in process of development.

10. For the purpose of securing a shorter and more expeditious route between Quebec and points in New England,



served by your friendly connection the Boston and Maine Railroad, your Directors thought it advisable to lease the Quebec Central Railway, forming the connection between Sherbrooke and Levis, together with branch lines from Beauce Junction to St. Sabine, and from Tring to Megantic, all in the Province of Quebec, making a total of about 253.5 miles of railway, at a rental based upon the interest on the outstanding 1st, 2nd and 3rd Mortgage Bonds of the Quebec Central Railway Company, and a dividend on the outstanding Capital Stock of that company at four per cent. per annum for four years from July 1st, 1912, and thereafter at the rate of five per cent. per annum, and you will be asked to confirm the action of your Directors and sanction the agreement of lease between your Company and the Quebec Central Railway Company.

11. The Shuswap and Okanagan Railway, 51 miles in length, extending from Sicamous Junction, on your main line in British Columbia, to the head of Okanagan Lake, was leased to your Company on its completion in 1892 for a period of 25 years, and it was a condition of the lease that the Company should pay by way of rental forty per cent. of the gross earnings of the line, as defined in the lease, in quarterly amounts. The interest on the bonds issued by the Shuswap and Okanagan Railway Company for the construction of the line, amounting to £10,000 per annum, was unconditionally guaranteed by the Province of British Columbia. Until within the last two years the rental was insufficient to meet the annual interest charge, with the result that the Province of British Columbia had a deferred claim against the Shuswap and Okanagan Railway Company for the deficiency in interest amounting to about £80,000 at the end of last fiscal year. As the principal of the bonds will mature July 1st, 1915, and it is manifestly desirable that your Company should retain possession of the line, a lease of the property for a period of 999 years has been arranged and will be submitted for your approval. The rental to be paid by your Company is an amount equivalent to

four per cent. per annum on the outstanding bonds of the company and on any that may hereafter be issued with your consent. Upon being subrogated in the rights of the Province your Company has undertaken to make good to the Province the deficiency in interest, to which reference has been made.

12. Your land in British Columbia secured by the construction of the Columbia and Western, and British Columbia Southern Railways had, by lapse of time and judgment of the Court, become subject to taxation. Of the lands in these grants 434,696 acres were sold during the past twelve years at an average net price of \$1.77 per acre. As these constituted the most accessible of the lands, and the remainder were so situated that they would necessarily be very slow of sale, your Directors decided after negotiations covering a considerable period to reconvey to the Government of the Province of British Columbia the unsold portion of these two land grants, excepting an area of 543,496 acres, reserved by the Company to meet its timber and tie requirements, at the price of 40 cents per acre. This will enable the Provincial authorities to encourage settlers to take up on very easy terms such of the lands as may be of use, and the Company will be relieved from the cost of administration and from the payment of rather heavy annual taxes. Your Directors are of opinion that the transaction, which was not completed until after the close of the fiscal year, will prove advantageous to both the Province of British Columbia and to your Company, and they hope that their action will meet with your approval.

13. The Georgian Bay and Seaboard Railway, recently built under the auspices of your Company between Victoria Harbour, on Georgian Bay, and Bethany, Ontario, to provide a shorter and more economical lake and rail route between Western Canada and the Atlantic Seaboard, has proved more expensive than was anticipated, due to the character of the line that it was finally determined to construct and to other conditions. The power conferred by Parliament on the

Georgian Bay and Seaboard Railway Company to issue bonds for the purposes of its undertaking was originally limited to \$30,000 per mile, but at the last Session of Parliament this amount was increased to \$55,000 per mile, and your Directors will ask your authority to enter into a supplementary agreement with the Georgian Bay and Seaboard Railway Company to increase the limit of that company's bond issue, upon which this Company has, by virtue of the lease approved October 3rd, 1906, agreed to pay interest by way of rental, from \$30,000 to an amount not exceeding \$55,000 per mile of railway.

14. Instead of continuing the double track from Glen Tay to Agincourt, on the Ontario and Quebec Railway between Montreal and Toronto, your Directors have decided, if you approve, to secure a line between these two points that will serve the territory further south, and will reach several important towns on the North Shore of Lake Ontario. An agreement has, therefore, been made with the Campbellford, Lake Ontario and Western Railway Company for the construction, under your Company's supervision and control, of that company's railway, 184 miles in length, between Glen Tay and Agincourt, both in the Province of Ontario, and for the lease of the railway when completed to your Company for a period of 999 years, at a rental equivalent to four per cent. per annum on the bonds of the Campbellford, Lake Ontario and Western Railway Company, issued with your consent.

15. Your present route between points in the Kootenay and Boundary Creek Districts, of British Columbia, and the Pacific Coast is long and expensive, and the best means of securing a more direct route has engaged the attention of your Directors for some time past. The Kettle Valley Railway Company, having a Dominion charter, covering the territory between Midway, the terminus of your Boundary Creek Line, and Merritt, on your Nicola Line, undertook to build the railway between these points, under the advice and

to the satisfaction of your Directors, upon condition that your Company would lease the line, approximately 270 miles in length, and the branch line along the North Fork of the Kettle River, 24 miles in length, whenever and as soon as the Kettle Valley Railway Company is competent to make a lease, paying by way of rental the interest at four per cent. per annum on the bonds of the Kettle Valley Railway Company, issued with your consent, any subsidy received from the Dominion or Provincial Government, or from any other source, to be applied on an agreed basis towards the cost of the construction of the railway and a corresponding reduction in the amount of bonds to be issued. This line will give you access to a large and important section of the Province in which development should quickly follow railway facilities. Your Directors will suggest that they be clothed with power to make an agreement of lease when the requisite legal formalities have been complied with.

16. The amounts appropriated for new works, exclusive of railway construction, were abnormally large, in the year under review. For the enlargement of terminals, additional buildings, shops, second tracks, sidings and improvements of every variety calculated to improve the efficiency of your railway system, and to facilitate the movement of your large and increasing traffic, the amount of \$30,000,000 was authorized to be expended and orders for locomotives and cars, representing an expenditure of \$25,750,000, were placed. Many of these works cannot be completed within the season with the limited amount of labour available, but your Directors are sparing no effort to meet the convenience of the public and to strengthen your own position. Canadian manufacturers of freight cars are very much behind in their deliveries, but they promise to do better, and there is little doubt that all of the equipment ordered abroad will be forwarded according to contract.

17. In 1905, when your Company acquired the Esquimalt and Nanaimo Railway, you also purchased the unsold lands

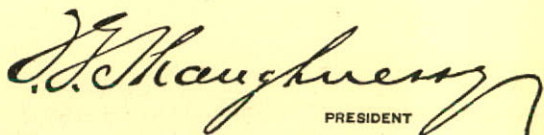
on Vancouver Island belonging to that Company, about 1,400,000 acres in area, at the price of \$1,330,000. Thus far 250,000 acres have been sold, yielding \$3,364,000, and the remaining area is of great value, although some portions of it are so situated that they cannot well be utilized. There was the possibility that these lands might be subject to taxation if segregated from the Esquimalt and Nanaimo Railway, and, therefore, they have never been taken into your accounts, but an agreement about taxes has been made with the Government of the Province of British Columbia and hereafter the figures relating to them will appear in your annual statements.

18. At a Special General Meeting of the Shareholders held on May 11th, 1892, called for the purpose of giving effect to the Act of 1892, a Resolution was adopted authorizing the Company to create and issue from time to time Consolidated Debenture Stock payable in Sterling money of Great Britain and bearing interest not exceeding four per cent. per annum for the purpose of satisfying or acquiring Mortgage Bonds of any other railway company, the principal or interest of which the Company shall have already guaranteed. The Dominion Atlantic Railway Company, whose railway you have leased, provided its money requirements by an issue of three classes of Debenture Stock, upon which your Company has guaranteed the payment of the annual interest as a consideration for the lease of the property. It is quite likely that in the future it will be found desirable to acquire a portion, or all, of this Debenture Stock by an issue of your own Four per cent. Consolidated Debenture Stock, and, in order to comply strictly with the provisions of the Act of 1892, it will be necessary to have an issue of Consolidated Debenture Stock for that purpose approved by the Shareholders at the Special General Meeting duly called for the purpose immediately after the Annual General Meeting.

19. The undermentioned Directors will retire from office at the approaching Annual Meeting. They are eligible for re-election:

MR. WILMOT D. MATTHEWS,  
SIR SANDFORD FLEMING, K.C.M.G.,  
MR. ADAM R. CREELMAN, K.C.,  
SIR WILLIAM WHYTE.

For the Directors,

  
PRESIDENT

MONTREAL, August 12th, 1912.

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CANADIAN PACIFIC  
CONDENSED BALANCE

RAILWAY AND EQUIPMENT.....		\$382,829,051.33
OCEAN, LAKE AND RIVER STEAMSHIPS.....		21,338,974.12
ACQUIRED SECURITIES (COST):		
Exhibit "A".....		80,525,353.32
PROPERTIES HELD IN TRUST FOR THE COMPANY.....		6,378,358.03
DEFERRED PAYMENTS ON LAND AND TOWN SITE SALES..		41,468,821.88
ADVANCES TO LINES UNDER CONSTRUCTION.....		16,654,401.70
ADVANCES AND INVESTMENTS.....		12,360,997.99
MATERIAL AND SUPPLIES ON HAND.....		13,017,431.90
CURRENT ASSETS:		
Agents and Conductors Balances.....	\$4,805,132.07	
Miscellaneous Accounts Receivable.....	5,023,469.41	
		9,828,601.48
TEMPORARILY INVESTED IN GOVERNMENT SECURITIES...		10,088,734.86
CASH IN HAND.....		33,628,819.03
		\$628,119,545.64

NOTE.—In addition to above assets, the Company owns 6,660,581 acres of land in Manitoba, Saskatchewan and Alberta (average sales past year \$15.99 per acre), and 4,395,948 acres in British Columbia.



## RAILWAY COMPANY

SHEET, JUNE 30, 1912.

CAPITAL STOCK.....		\$180,000,000.00	
PAYMENTS ON SUBSCRIPTION TO NEW ISSUE CAPITAL STOCK (\$18,000,000.00).....		16,806,621.00	
FOUR PER CENT. PREFERENCE STOCK.....		66,695,097.03	
FOUR PER CENT. CONSOLIDATED DEBENTURE STOCK....		153,823,706.86	
MORTGAGE BONDS:			
First Mortgage, 5 per cent.....	\$34,998,633.33		
Algoma Branch, 1st Mortgage.....	3,650,000.00		
			38,648,633.33
CURRENT LIABILITIES:			
Audited Vouchers.....	\$11,361,277.06		
Pay Rolls.....	5,621,929.55		
Net Traffic Balances.....	290,366.38		
Miscellaneous Accounts Payable.....	6,271,762.30		
			23,545,335.29
INTEREST ON FUNDED DEBT AND RENTAL OF LEASED LINES:			
Coupons due July 1st, 1912, and including Coupons overdue not presented.....	\$1,207,274.00		
Accrued Fixed Charges.....	184,428.35		
			1,391,702.35
EQUIPMENT OBLIGATIONS.....		1,040,000.00	
EQUIPMENT REPLACEMENT FUND.....		2,103,993.54	
STEAMSHIP REPLACEMENT FUND.....		5,721,852.37	
APPROPRIATION FOR ADDITIONS AND IMPROVEMENTS...		3,535,712.14	
RESERVE FUND FOR CONTINGENCIES.....		4,382,617.80	
LANDS AND TOWN SITES			
SALES.....		57,538,307.59	
SURPLUS.....		72,885,966.34	
			\$628,119,545.64

I. G. OGDEN,  
*Vice-President.*

## AUDITORS' CERTIFICATE.

We have examined the Books and Records of the Canadian Pacific Railway Co., for the fiscal year ending June 30th, 1912, and having compared the annexed Balance Sheet and Income Account therewith, we certify that, in our opinion, the Balance Sheet is properly drawn up so as to show the true financial position of the Company at that date, and that the relative Income Account for the year is correct.

Montreal, August 9th, 1912.

PRICE, WATERHOUSE & CO.,  
Chartered Accountants, (England).

## FIXED CHARGES FOR YEAR ENDED JUNE 30TH, 1912.

£7,191,500	1st Mortgage Bonds 5% due July 1st, 1915.....	\$1,749,931.66
£ 200,000	St. Lawrence & Ottawa Ry. 4% 1st Mortgage Bonds.....	38,933.34
\$ 2,544,000	Man. S. West. Colzn. Ry. 1st Mortgage 5% Bonds due June 1st, 1934.....	127,200.00
	Toronto, Grey & Bruce Ry. Rental.....	140,000.00
£4,007,381-15-5	Ontario & Quebec Ry. Debenture Stock 5%.....	975,129.56
\$ 2,000,000	Ontario & Quebec Ry. Ordinary Stock 6%.....	120,000.00
£1,330,000	Atlantic & North West. Ry. 1st Mortgage Bonds due January 1st, 1937.....	323,633.34
£ 750,000	Algoma Branch 5% 1st Mortgage Bonds, due July 1st, 1937.....	182,500.00
\$ 500,000	New Brunswick Southern Railway 1st Mortgage Bonds, 3%.....	15,000.00
\$ 500,000	Lindsay, Bobcaygeon & Pontypool Ry. 1st Mortgage Bonds, 4%.....	20,000.00
	Rental, Calgary & Edmonton Ry.....	218,357.60
	Rental, Farnham to Brigham Jct.....	1,400.00
	Rental, Mattawamkeag to Vanceboro.....	23,800.00
	Rental, New Brunswick Ry. System.....	372,829.74
	Rental, Terminals at Toronto.....	25,353.15
	Rental, Terminals at Hamilton.....	35,297.73
	Rental, Hamilton Jct. to Toronto.....	42,191.12
	Rental, St. Stephen & Milltown Ry.....	2,050.00
	Rental, St. Marys & Western Ontario Ry.....	2,442.05
	Rental, Joliette & Brandon Ry.....	5,000.00
	Rental, Lachine Canal Branch.....	939.96
	Interest on Montreal & Western Ry.....	15,403.37
	Interest on Equipment Obligations.....	63,066.67
	4% CONSOLIDATED DEBENTURE STOCK.	
£30,490,493	Interest from July 1st, 1911.....	\$5,935,482.62
£ 996,530	Interest from Jan. 1st, 1912.....	96,995.58
£ 120,588	Interest from July 1st, 1912.....	
		\$6,032,478.20
	Less received from subsidy	
	Northern Colonization Railway...	8,000.00
		6,024,478.20
		<u>\$10,524,937.49</u>

## EXHIBIT "A"—ACQUIRED SECURITIES.

SECURITIES OF LEASED LINES.		Par Value.
ATLANTIC & NORTH WEST RY.		
1st Mortgage Bonds.....	5%	\$ 19,466.67
EGANVILLE BRANCH:		
1st Mortgage Bonds.....	4%	302,400.00
GUARANTEED STOCK.....		3,240,000.00
† CAPITAL STOCK.....		176,000.00
ALBERTA RAILWAY & IRRIGATION CO.		
Ordinary Stock.....		3,146,300.00
BRITISH COLUMBIA SOUTHERN RY.		
1st Mortgage Bonds.....	5%	1,175,000.00
† Capital Stock.....		172,200.00
BERLIN, WATERLOO, WELLESLEY & LAKE HURON RY.		
† 1st Mortgage Bonds.....	4%	426,000.00
CALGARY & EDMONTON RY.		
1st Mortgage Bonds.....	4%	5,900,000.00
† Capital Stock.....		1,000,000.00
COLUMBIA & KOOTENAY RY.		
1st Mortgage Bonds.....	4%	1,277,500.00
† Capital Stock.....		250,000.00
COLUMBIA & WESTERN RY.		
1st Mortgage Bonds.....	4%	5,691,000.00
† Capital Stock.....		925,000.00
GREAT NORTH WEST CENTRAL RY.		
1st Mortgage Bonds.....	5%	1,375,000.00
† Capital Stock.....		450,000.00
GUELPH & GODERICH RY.		
1st Mortgage Bonds.....	4%	2,415,000.00
† Capital Stock.....		125,000.00
GEORGIAN BAY & SEABOARD RY.		
1st Mortgage Bonds.....	4%	399,000.00
† Capital Stock.....		250,000.00
KOOTENAY & ARROWHEAD RY.		
† 1st Mortgage Bonds.....	5%	780,000.00
KOOTENAY CENTRAL RY.		
† Capital Stock.....		250,000.00
LINDSAY, BOBCAYGEON & PONTYPOOL RY.		
† Capital Stock.....		200,000.00
MANITOBA & NORTH WESTERN RY.		
1st Mortgage Bonds.....	6%	2,627,513.33
1st Mortgage Bonds.....	5%	2,520,000.00
SHELL RIVER BRANCH:		
1st Mortgage Bonds.....	5%	160,600.00
DEBENTURE STOCK.....	5%	613,200.00
PREFERRED STOCK.....	5%	415,000.00
† Capital Stock.....		5,612,113.63
MANITOBA SOUTH WEST COL. RY.		
1st Mortgage Bonds.....	5%	72,000.00
† Capital Stock.....		700,000.00
MONTREAL & OTTAWA RY.		
1st Mortgage Bonds.....	5%	1,636,250.00
† Capital Stock.....		227,200.00
NEW BRUNSWICK SOUTHERN RY.		
† Capital Stock.....		49,000.00
NORTHERN COLONIZATION RY.		
1st Mortgage Bonds.....	4%	1,118,000.00
† Capital Stock.....		300,000.00
NICOLA, KAMLOOPS & SIMILKAMEEN RY.		
1st Mortgage Bonds.....	4%	1,175,000.00
† Common Stock.....		250,000.00
NAKUSP & SLOCAN RY.		
† Common Stock.....		300,000.00
OTTAWA NORTHERN & WESTERN RY.		
1st Mortgage Bonds.....	4%	3,075,000.00
† Capital Stock.....		804,000.00
ONTARIO & QUEBEC RY.		
† Capital Stock.....		5,000.00
ORFORD MOUNTAIN RY.		
1st Mortgage Bonds.....	4%	702,000.00
† Capital Stock.....		501,000.00
SASKATCHEWAN & WESTERN RY.		
1st Mortgage Bonds.....	5%	181,040.00
† Common Stock.....		232,500.00
SOUTH ONTARIO PACIFIC RY.		
† Common Stock.....		20,000.00
SBUSWAP & OKANAGAN RY.		
1st Mortgage Bonds.....	4%	5,353.33
† Common Stock.....		731,000.00
ST. LAWRENCE & OTTAWA RY.		
† Common Stock.....		466,000.00
ST. MAURICE VALLEY RY.		
1st Mortgage Bonds.....	4%	945,000.00
† Capital Stock.....		500,000.00
TILSONBURG, LAKE ERIE & PACIFIC RY.		
1st Mortgage Bonds.....	4%	1,067,500.00
† Common Stock.....		400,000.00
VANCOUVER & LULU ISLAND RY.		
1st Mortgage Bonds.....	5%	455,000.00
† Capital Stock.....		25,000.00
WALKERTON & LUCKNOW RY.		
1st Mortgage Bonds.....	4%	740,000.00
† Common Stock.....		10,000.00
SECURITIES OF OTHER COMPANIES, CONTROLLED, BUT NOT LEASED.		
DULUTH SOUTH SHORE & ATLANTIC RY.		
Con. Mortgage Bonds.....	4%	15,107,000.00
Income Certificates.....		3,000,000.00
Preferred Stock.....		5,100,000.00
Ordinary Stock.....		6,100,000.00
DOMINION ATLANTIC RY.		
Capital Stock.....		1,101,848.93
† Preferred Stock.....		1,309,666.67
KINGSTON & PEMBROKE RY.		
1st Mortgage Bonds.....	3%	571,000.00
1st Preferred Stock.....		995,450.00
2nd Preferred Stock.....		134,900.00
Ordinary Stock.....		1,968,400.00
MINN. ST. PAUL & SAULT STE. MARIE RY.		
1st Mortgage Bonds.....	4%	3,993,000.00
† Preferred Stock.....	7%	6,361,800.00
† Common Stock.....		12,723,500.00
MONTREAL & ATLANTIC RY.		
1st Mortgage Bonds.....	5%	945,000.00
† Common Stock.....		2,160,000.00
ST. JOHN BRIDGE & RY. EXTENSION CO.		
† Common Stock.....		200,000.00
DOMINION EXPRESS CO.		
† Common Stock.....		2,000,000.00
CHATEAU FRONTENAC HOTEL CO.		
† Common Stock.....		280,000.00
MISCELLANEOUS SECURITIES.		
CANADIAN PACIFIC RY.		
1st Mortgage Bonds.....	5%	1,232,240.00
CANADA NORTH WEST LAND COMPANY.		
† Common Stock.....		5,625.00
MINERAL RANGE RY.		
1st Mortgage Bonds.....	4%	1,254,000.00
TORONTO, HAMILTON & BUFFALO RY.		
2nd Mortgage Bonds.....	4%	271,000.00
† Capital Stock.....		203,700.00
TOWN OF MORRIS, MANITOBA.		
Bonds.....		15,000.00
CANADIAN PACIFIC RAILWAY. (SOURIS BRANCH).		
† 1st Mortgage Bonds.....	4%	1,946,666.67
PACIFIC STEAMSHIPS.		
† 4% First Mortgage.....	£720,000	3,504,000.00
PACIFIC COAST STEAMSHIPS.		
† 5% First Mortgage.....	£225,000	1,095,000.00
WEST KOOTENAY POWER & LIGHT CO.		
† Preferred Stock.....		55,000.00
† Common Stock.....		1,100,000.00
		\$133,328,934.23

† Denotes complete ownership.

We have examined all the Securities, including those listed above, held for account of the Canadian Pacific Railway Company, by the Treasurer, and have received certificates from the Custodians, for those deposited with the Banks and Trust Companies for safe custody, and having compared them with the records of the Company, find them correct and in order.

Montreal, August 9th, 1912.

PRICE, WATERHOUSE & CO.,  
Chartered Accountants, (England).





## EXHIBIT "B"—LANDS SOLD.

	ACRES	AMOUNT REALIZED	AVERAGE PER ACRE
CANADIAN PACIFIC LAND GRANTS—			
July 1st, 1911 to June 30th, 1912.....	666,699	\$10,653,198	\$15.98
July 1st, 1910 to June 30th, 1911.....	628,092	9,391,459	14.95
MANITOBA SOUTH WESTERN GRANT—			
July 1st, 1911 to June 30th, 1912.....	2,140	40,305	18.83
July 1st, 1910 to June 30th, 1911.....	20,711	128,173	6.19
GREAT NORTH WEST CENTRAL GRANT—			
July 1st, 1911 to June 30th, 1912.....	800	16,640	20.80
July 1st, 1910 to June 30th, 1911.....	2,071	38,790	18.73
TOTAL SALES—			
July 1st, 1911 to June 30th, 1912.....	669,639	10,710,143	15.99
July 1st, 1910 to June 30th, 1911.....	650,874	9,558,427	14.69

## POSITION OF LAND GRANTS AT JUNE 30TH, 1912.

	ACRES	ACRES
CANADIAN PACIFIC—		
Grants.....	26,710,400	
Disposed of to the Dominion Government under agreement of March 30th, 1886.....	6,793,014	
	19,917,386	
Purchased from the Hudson's Bay Co. January, 1911....	102,174	
Acquired with the Alberta Railway & Irrigation Co. March, 1912.....	209,559	
	20,229,119	
Sales to June 30th, 1912.....	13,822,923	
Less cancelled during year.....	59,046	
	13,763,877	
Quantity of Land unsold.....		6,465,242
MANITOBA SOUTH WESTERN—		
Total Grant.....	1,396,800	
Sales to June 30th, 1912.....	1,301,822	
Less cancelled during year.....	14	
	1,301,808	
Quantity of Land unsold.....		94,992
GREAT NORTH WEST CENTRAL—		
Total Grant.....	320,004	
Sales to June 30th, 1912.....	220,074	
Less cancelled during year.....	417	
	219,657	
Quantity of Land unsold.....		100,347
Total Agricultural Lands owned by the Company.....		6,660,581
BRITISH COLUMBIA LANDS.		
	ACRES	ACRES
COLUMBIA AND KOOTENAY—		
Total Grant.....	190,000	
Sales to June 30th, 1912.....	158,414	
Less cancelled during year.....	59	
	158,355	
Quantity of Land unsold.....		31,645
BRITISH COLUMBIA SOUTHERN—		
Total Grant.....	3,451,093	
Sales to June 30th, 1912.....	334,330	
Less cancelled during year.....	161	
	334,169	
Quantity of Land unsold.....		3,116,924
COLUMBIA AND WESTERN—		
Grant Received.....	1,347,905	
Sales to June 30th, 1912.....	102,206	
Less cancelled during year.....	1,680	
	100,526	
Quantity of Land unsold.....		1,247,379
Total British Columbia Lands owned by the Company.....		4,395,948

## EXHIBIT "C"

## DETAILS OF BALANCE SHEET ITEM.

## LANDS AND TOWNSITES.

13,763,877 acres and Townsites sold, amounting to.....	\$98,192,095.63
6,793,014 acres disposed of to the Dominion Government in 1886.....	10,189,521.00

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\$108,381,616.63

Less:—Expenses, Cultivation rebate and 10% on Land Grant Bonds retired and cancelled.....	10,827,665.11
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\$97,553,951.52

## ADD:—

Proceeds Manitoba So. West. Col. Ry. Land Sales.....	\$3,011,279.09
Proceeds Great North West. Cent. Ry. Land Sales.....	1,001,918.70
Proceeds Manitoba & North Western Ry. Land Sales.....	63,068.89
Proceeds British Columbia Land Sales.....	1,417,816.08

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\$103,048,034.28

Less:—Cost of lands purchased from Hudson's Bay Company.....	1,396,591.54
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\$101,651,442.74

## DEDUCT:—

Expenditures on Irrigation.....	7,919,614.15
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\$93,731,828.59

Amount expended in Construction of Railway and Equipment and deducted from cost of Property.....	36,193,521.00
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\$57,538,307.59

## EXHIBIT " D "

## CONSTRUCTION—ACQUIRED AND BRANCH LINES.

Moosejaw Branch.....	\$1,136,877.08
Craven-Bulyea Branch.....	116,685.17
Virden-McAuley Branch.....	94,325.77
Stonewall Branch Extension.....	2,876.53
Lauder Branch.....	3,280.69
Weyburn-Lethbridge Branch.....	787,295.34
Langdon Branch.....	1,418.54
Kipp-Aldersyde Branch.....	631,965.44
Bassano-Irricana Branch.....	472,059.78
Regina-Colonsay Branch.....	653,224.94
Estevan-Forward Branch.....	284,577.39
Waldo-Galloway Branch.....	141,606.89
Moosejaw S. W. Branch.....	581,539.79
Wilkie N. W. Branch.....	474,079.73
Kerrobot N. E. Branch.....	140,448.03
Wilkie-Anglia Branch.....	262,597.68
Swift Current S. E. Branch.....	727,620.68
Swift Current N. W. Branch.....	645,679.44
Boissevain-Lauder Branch.....	54,873.27
Suffield S. W. Branch.....	49,550.64
Three Forks-Bear Lake Branch.....	249,182.06
Surveys of projected lines.....	174,844.57
	<hr/>
	\$7,686,609.45
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## EXHIBIT "E"

DETAILS OF EXPENDITURE ON ADDITIONS AND IMPROVEMENTS FROM  
JULY 1ST, 1911, TO JUNE 30TH, 1912.

## MAIN LINE

## QUEBEC TO BONFIELD:

Additional Sidings, Buildings, Stations and Yards.....	\$ 233,450.00
Permanent Bridges and Improvements of Line.....	392,729.88
Right of Way .....	5,175.00
	\$ 631,354.88

MONTREAL TERMINALS.....	1,625,820.23
Windsor St. Station Extension.....	839,331.42
Double Track Bridge over St. Lawrence River.....	816,749.29

## BONFIELD TO PORT ARTHUR:

Additional Sidings, Buildings, Stations and Yards.....	189,957.02
Permanent Bridges and Improvements of Line.....	335,719.08
Wharves, Docks and Warehouses.....	2,506.58
Telephone Dispatching Equipment.....	232.89
	528,415.57

## PORT ARTHUR TO FIELD:

Additional Sidings, Buildings, Stations and Yards.....	1,546,845.91
Permanent Bridges and Improvements of Line.....	519,322.14
Winnipeg Station and Hotel.....	73.35
Winnipeg Terminals.....	877,045.20
East Winnipeg Yard.....	478,550.22
Wharves, Docks and Warehouses.....	195.34
Double Tracking.....	1,507,953.97
Right of Way.....	7,424.13
Calgary Hotel.....	238,256.81
	5,175,667.07

## FIELD TO VANCOUVER:

Additional Sidings, Buildings, Stations and Yards.....	537,525.21
Permanent Bridges and Improvements of Line.....	1,173,794.18
Field Hill Revision of Line..... Cr.	2,530.28
Wharves, Docks and Warehouses..... Cr.	1,784.18
Vancouver Terminals.....	705,058.25
Right of Way.....	7,023.65
	2,419,086.83

Total Main Line carried forward..... \$12,036,425.20

Total Main Line brought forward..... \$12,036,425.29

## BRANCH LINES:

South Western Branch.....	\$ 15,509.07
Stonewall Branch.....	549.90
Selkirk Branch.....	7,603.74
Emerson Branch.....	969.12
Nakusp and Slocan Branch.....	22,183.77
Revelstoke and Arrow Lake Branch.....	12,234.83
Snowflake Branch.....	131.34
Waskada Branch.....	127.38
St. Lin Branch.....	2,654.62
Lake Temiskaming Branch.....	43,430.65
MacGregor Branch.....	2,618.32
Mission Branch.....	33,849.34
Arcola-Regina Branch.....	18,850.90
North Star Branch.....	7,876.15
Lac du Bonnet Branch.....	15,509.40
Wolsley-Reston Branch.....	1,334.42
Lachine Canal Branch.....	5,902.80
Toronto-Sudbury Line.....	213,748.23
Pheasant Hills Branch.....	308,984.62

## SOURIS BRANCH:

Additional Sidings, Buildings, Stations and Yards....	211,068.53
Permanent Bridges and Improvements of Line.....	80,096.05
Right of Way.....	629.05

## ALGOMA BRANCH:

Additional Sidings, Buildings, Stations and Yards....	17,340.28
Permanent Bridges and Improvements of Line.....	106,267.12

## CROWS NEST PASS BRANCH:

Additional Sidings, Buildings, Stations and Yards.....	83,193.40
Permanent Bridges and Improvements of Line.....	170,540.51
Right of Way.....	2,484.29
	<u>256,218.20</u>

## CROWS NEST PASS BRANCH:

McLeod-Lethbridge deviation.....	4,281.81
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## BRITISH COLUMBIA SOUTHERN RY.:

Additional Sidings, Buildings, Stations and Yards.....	31,811.85
Permanent Bridges and Improvements of Line.....	120,323.54
Right of Way.....	895.65
Balfour Extension.....	5,788.17
Yahk Branch.....	6,960.59
	<u>165,779.80</u>

	1,554,394.88
Telegraph Extensions and Additions.....	358,141.97
Office Building, Toronto.....	456,540.76
Office Building, Edmonton.....	222,457.23
Office Building, Saskatoon.....	1,000.00
Office Building, Victoria.....	125,209.00
Rented and Temporary Sidings.....	213,095.00

Total Main Line and Branches..... \$14,967,264.13

## EXHIBIT "F"

DETAILS OF EXPENDITURE ON LEASED AND ACQUIRED LINES,  
FROM JULY 1ST, 1911, TO JUNE 30TH, 1912.

<b>ONTARIO &amp; QUEBEC RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	\$313,638.71	
Permanent bridges and improvements of line.....	208,978.05	
Double tracking.....	347,769.07	
Toronto terminals.....	1,116,367.59	
Right of way.....	1,681.01	
		<b>\$1,988,434.43</b>
<b>ATLANTIC &amp; NORTH WEST RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	29,283.39	
Permanent bridges and improvements of line.....	246,999.21	
		<b>276,282.60</b>
<b>NEW BRUNSWICK RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	42,042.15	
Permanent bridges and improvements of line.....	98,533.76	
Wharves, docks and warehouses.....	2,833.24	
St. John Terminals.....	229,230.31	
		<b>372,639.46</b>
<b>MONTREAL &amp; WESTERN RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	25,175.37	
Permanent bridges and improvements of line.....	7,455.92	
Account purchase of road.....	12,379.92	
		<b>45,011.21</b>
<b>MANITOBA SOUTH-WESTERN COLONIZATION RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	Cr. 31,620.63	
Permanent bridges and improvements of line.....	47,402.01	
Right of way.....	Cr. 5,802.85	
		<b>9,978.53</b>
<b>COLUMBIA &amp; KOOTENAY RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	5,994.15	
Permanent bridges and improvements of line.....	5,074.03	
		<b>11,068.18</b>
<b>MANITOBA &amp; NORTH-WESTERN RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	166,440.76	
Permanent bridges and improvements of line.....	203,085.43	
Right of way.....	34.07	
		<b>369,560.26</b>
<b>GREAT NORTH-WEST CENTRAL RAILWAY :</b>		
Right of way.....		<b>4,986.30</b>
<b>CALGARY &amp; EDMONTON RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	109,715.47	
Permanent bridges and improvements of line.....	106,692.91	
Right of way.....	1,024.89	
		<b>217,433.27</b>
<b>COLUMBIA &amp; WESTERN RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	44,334.35	
Permanent bridges and improvements of line.....	246,855.72	
Right of way.....	620.20	
		<b>291,810.27</b>
<b>MONTREAL &amp; OTTAWA RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	11,372.82	
Permanent bridges and improvements of line.....	37,793.35	
		<b>49,166.17</b>
<b>NICOLA, KAMLOOPS &amp; SIMILKAMEEN RAILWAY :</b>		
Additional sidings, buildings, stations and yards.....	4,857.80	
Permanent bridges and improvements of line.....	11,070.14	
		<b>15,927.94</b>
LINDSAY, BOBCAYGEON & PONTYPOOL RY.....		2,239.93
JOLIETTE & BRANDON RAILWAY.....		17,912.64
TILSONBURG, LAKE ERIE & PACIFIC RY.....		5,454.65
ST. MAURICE VALLEY RAILWAY.....		1,202.30
WALKERTON & LUCKNOW RAILWAY.....		3,743.92
GUELPH & GODERICH RAILWAY.....		27,207.53
NEW BRUNSWICK SOUTHERN RAILWAY.....		10,155.17
ORFORD MOUNTAIN RAILWAY.....		137.28
OTTAWA NORTHERN & WESTERN RAILWAY..		12,157.07
		<b>\$3,732,509.11</b>

## RECEIPTS AND EXPENDITURES.

YEAR ENDED JUNE 30TH, 1912.

Cash in hand, June 30th, 1911.....		\$34,371,550.98
Temporarily invested in Government Securities.....		10,088,734.86
RECEIPTS :		
Surplus Revenue as per statement.....	\$32,752,754.13	
Special Income as per statement.....	5,158,585.40	
		<u>37,911,339.53</u>
LAND DEPARTMENT :		
Lands and Townsites :		
Net proceeds of sales.....	8,279,537.17	
Collection of Deferred Payments on previous years' sales.....	6,028,524.87	
		<u>14,308,062.04</u>
Less amounts remaining in Deferred Payments on year's sales.....	13,380,925.93	
		<u>927,136.11</u>
BONUSES :		
Dominion Government Subsidy		
On Moosejaw Branch.....	78,432.00	
" Selkirk Branch—Gimli Extension.....	30,176.00	
		<u>108,608.00</u>
CAPITAL STOCK :		
SUBSCRIPTION TO \$18,000,000 ADDITIONAL ORDINARY STOCK :		
Payments on instalments.....		16,806,621.00
FOUR PER CENT. PREFERENCE STOCK :		
Amount realized from issue £1,976,390.....		9,444,080.19
CONSOLIDATED DEBENTURE STOCK :		
Amount realized from issue £2,252,516.....		<u>11,016,661.59</u>
		\$120,674,732.26
DEDUCT :		
Advances to Lines under Construction.....	16,654,401.70	
Advances and Investments.....	12,360,997.99	
Current Assets.....	9,828,601.48	
		<u>38,844,001.17</u>
Less amount at June 30th, 1911.....	26,684,005.17	
		<u>12,159,996.00</u>
		<u>\$108,514,736.26</u>

## EXPENDITURES:

Dividends on Preference Stock :			
2 per cent. paid September 30th, 1911 .....	\$1,141,533.31		
2 per cent. paid April 1st, 1912.....	1,258,333.32		
			\$2,399,866.63
Dividends on Ordinary Stock :			
2½ per cent. paid September 30th, 1911 .....	4,500,000.00		
2½ per cent. paid January 2nd, 1912.....	4,500,000.00		
2½ per cent. paid April 1st, 1912 .....	4,500,000.00		
2½ per cent. paid June 29th, 1912 .....	4,500,000.00		
			18,000,000.00
Properties held in trust for the Company.....			197,665.27
Construction of acquired and branch lines, Exhibit "D".....			7,686,609.45
Additions and Improvements, main line and branches, Exhibit "E".....			14,967,264.13
Additions and Improvements, leased and acquired lines, Exhibit "F"....			3,732,509.11
Rolling Stock, Shops and Machinery.....			15,801,577.89
Ogden Shops at Calgary.....			608,857.86
Ocean, Lake and River Steamships :			
Additional Steamships and Appurtenances for Pacific			
Coast Service.....	749,894.19		
Less sale of Steamship "Amur"....	11,000.00		
		738,894.19	
Additional River Steamers and Barges.....		86,740.83	
Extension to Steamship "Alberta".....		1,819.44	
Payments on account of Steamships "Empress of Asia" and "Empress of Russia".....	1,557,671.94		
Less amount paid from Steamship Replacement.....	778,835.97		
		778,835.97	
Additional Facilities at Liverpool.....		62,260.15	
			1,668,550.58
<u>SECURITIES ACQUIRED :</u>			
Calgary & Edmonton Ry. 1st Mortgage Bonds.....	2,200,000.00		
Kingston & Pembroke Ry. 1st Mortgage Bonds.....	254,637.50		
Shuswap & Okanagan Ry. 1st Mortgage Bonds.....	4,767.07		
Tilsonburg, Lake Erie & Pacific Ry. 1st Mortgage Bonds.....	67,500.00		
Alberta Ry. & Irrigation Co. Stock.....	125,550.00		
Dominion Atlantic Ry. Stock.....	10,183.06		
Kingston & Pembroke Ry. Stock.....	1,099.25		
Shuswap & Okanagan Ry. Stock.....	39,550.00		
West Kootenay Power & Light Co. Stock.....	517,493.25		
Minneapolis, St. Paul & Sault Ste. Marie Ry. :			
Balance of Subscription to Ordinary and Preferred Stock.....	1,324,920.00		
			4,545,700.13
Payment of Equipment Obligations.....			160,000.00
Increase in Material and Supplies on hand.....			1,826,177.89
			71,594,778.94
DEDUCT :			
Increase in current liabilities.....			6,797,596.57
			64,797,182.37
Temporarily invested in Government Securities.....			10,088,734.86
Cash on hand.....			33,628,819.03
			<u>\$108,514,736.26</u>

## STATEMENT OF EARNINGS FOR THE YEAR ENDED JUNE 30TH, 1912.

From Passengers.....	\$31,812,207.82
" Freight.....	79,833,734.03
" Mails.....	859,557.54
" Sleeping Cars, Express, Telegraph and Miscellaneous.....	10,814,041.84
Total.....	<u>\$123,319,541.23</u>

STATEMENT OF WORKING EXPENSES FOR THE YEAR ENDED  
JUNE 30TH, 1912.

Transportation Expenses.....	\$38,923,050.02
Maintenance of Way and Structures.....	17,719,795.21
Maintenance of Equipment.....	13,608,708.19
Traffic Expenses.....	2,880,800.32
Parlor and Sleeping Car Expenses.....	944,594.34
Expenses of Lake and River Steamers.....	1,064,011.53
General Expenses.....	3,444,394.51
Commercial Telegraph.....	1,435,944.28
Total.....	<u>\$80,021,298.40</u>

## STATEMENT OF SURPLUS INCOME ACCOUNT, JUNE 30TH, 1912.

Balance at June 30th, 1911.....		\$55,374,493.44
Net earnings of Railway and Steamship Lines.....	\$32,752,754.13	
Special Income.....	5,158,585.40	
(as per statements)		<u>37,911,339.53</u>
		\$93,285,832.97
Less: Dividends on Preference Stock, paid September 30th, 1911, and April 1st, 1912.....	\$2,399,866.63	
And dividends on Ordinary Stock, paid September 30th, 1911, January 2nd, 1912, April 1st, 1912, and June 29th, 1912.....	18,000,000.00	
		<u>20,399,866.63</u>
Total Surplus Income, June 30th, 1912.....		<u>\$72,885,966.34</u>
From this there have been declared the dividends on Preference and Ordinary Stock, payable October 1st, 1912, amounting to.....		\$5,833,901.94

## APPROPRIATION FOR ADDITIONS AND IMPROVEMENTS.

Balance at June 30th, 1911.....	\$	7,119,285.64
Less: Expended during year included in Exhibits E and F.....		3,583,573.50
Amount unexpended.....		<u>\$3,535,712.14</u>

## STATEMENT OF EQUIPMENT AT 30TH JUNE, 1912.

Locomotives.....	1,820
*First and second class Passenger Cars, Baggage Cars and Colonist Sleeping Cars.....	1,841
First class Sleeping, Dining and Café Cars.....	369
Parlor Cars, Official and Paymasters' Cars.....	75
Freight and Cattle Cars (all kinds).....	61,446
Conductors' Vans.....	1,065
Boarding, Tool and Auxiliary Cars and Steam Shovels.....	4,254

\* Includes cars in Line Service as follows :

ST. JOHN AND BOSTON LINE.		MONTREAL AND BOSTON LINE.	
4 First Class	} 80.04% owned by other lines.	2 First Class	} 68.33% owned by other lines.
4 Second "		2 First Class & Smoking	
4 Baggage		2 Dining and Smoking	
12 Cars	4 2nd Class	4 Baggage & Express	
		14 Cars	
TORONTO, HAMILTON AND BUFFALO LINE.			
6 First Class	} 63.96% owned by other lines.		
3 Second Class			
2 Baggage and Smoking			
3 Baggage and Express			
14 Cars			

## OCEAN, LAKE AND RIVER STEAMERS.

	ATLANTIC SERVICE	
Empress of Britain	Lake Michigan	Monmouth
Empress of Ireland	Milwaukee	Montezuma
Lake Champlain	Montcalm	Mount Royal
Lake Erie	Montfort	Mount Temple
Lake Manitoba	Montreal	Cruizer
	Montrose	

## PACIFIC SERVICE

Empress of India	Empress of Japan
	Monteagle

## PACIFIC COAST SERVICE

Beaver	Princess Alice	Princess Sophia
Charmer	Princess Beatrice	Princess Victoria
City of Nanaimo	Princess Charlotte	Qualicum
Czar	Princess Ena	Tees
Joan	Princess May	Transfer No. 1
Nanoose	Princess Mary	Transfer No. 2
Otter	Princess Patricia	Transfer No. 3
Princess Adelaide	Princess Royal	Queen City

## UPPER LAKE SERVICE

Alberta	Keewatin
Assiniboia	Manitoba

## Athabasca

## BRITISH COLUMBIA LAKE AND RIVER SERVICE

Aberdeen	Kootenay	Rossland
Bonnington	Kuskanook	Sandon
Columbia	Minto	Slocan
Castlegar	Moyie	Valhalla
Hosmer	Nelson	Ymir
Kaleden	Okanagan	York
Kokanee	Proctor	Whatshan

## FERRY SERVICE

Michigan	Ontario
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## DESCRIPTION OF FREIGHT FORWARDED.

		YEAR ENDED JUNE 30TH		
		1910	1911	1912
Flour.....	Barrels	7,489,812	8,469,744	8,459,850
Grain.....	Bushels	112,795,345	111,169,982	151,731,691
Live Stock.....	Head	1,381,183	1,567,665	1,663,315
Lumber.....	Feet	2,292,821,963	2,441,007,107	2,806,735,006
Firewood.....	Cords	280,878	298,345	305,079
Manufactured Articles.....	Tons	5,468,548	5,759,344	7,196,225
All other articles.....	Tons	7,567,052	8,971,037	9,092,821

## FREIGHT TRAFFIC.

	YEAR ENDED JUNE 30TH		
	1910	1911	1912
Number of tons carried.....	20,551,368	22,536,214	25,940,238
Number of tons carried one mile.....	7,772,012,635	8,062,102,013	10,391,650,965
Earnings per ton per mile.....	0.77 cts.	0.81 cts.	0.77 cts.

## PASSENGER TRAFFIC.

	YEAR ENDED JUNE 30TH		
	1910	1911	1912
Number of passengers carried.....	11,172,891	12,080,150	13,751,516
Number of passengers carried one mile..	1,355,266,088	1,457,332,932	1,626,577,067
Earnings per passenger per mile.....	1.83 cts.	1.93 cts.	1.96 cts.

TRAIN TRAFFIC STATISTICS—FOR TWELVE MONTHS ENDED JUNE 30TH, 1912 AND 1911.  
EARNINGS OF LAKE AND RIVER STEAMERS NOT INCLUDED IN THIS STATEMENT.

	Year ended June 30th, 1912.	Year ended June 30th, 1911.	Increase or Decrease.	
			Amount or number.	Per Cent.
<b>TRAIN MILEAGE.</b>				
Passenger trains.....	19,591,027	17,393,532	2,197,495	12.63
Freight ".....	25,638,692	21,701,893	3,936,799	18.14
Mixed ".....	1,727,792	1,680,421	47,371	2.82
Total trains.....	46,957,511	40,775,846	6,181,665	15.16
<b>CAR MILEAGE.</b>				
<b>PASSENGER.</b>				
Coaches and P. D. and S. cars.....	100,088,130	89,404,332	10,683,798	11.95
Combination cars.....	2,917,523	2,812,227	105,296	3.74
Baggage, Mail and Express cars.....	42,678,970	38,487,654	4,191,316	10.89
Total Passenger cars.....	145,684,623	130,704,213	14,980,410	11.46
<b>FREIGHT.</b>				
Loaded.....	556,244,798	480,739,921	95,504,877	20.73
Empty.....	140,210,180	139,455,186	754,994	.54
Caboose.....	27,871,524	23,521,772	4,349,752	18.49
Total Freight cars.....	724,326,502	623,716,879	100,609,623	16.13
Passenger cars per Traffic Train Mile.....	6.83	6.85	.02	.29
Freight ".....	26.47	26.67	.20	.75
<b>PASSENGER TRAFFIC.</b>				
Passengers carried (earning revenue).....	13,593,569	11,928,943	1,664,626	13.95
one mile.....	1,610,251,856	1,440,649,164	169,602,692	11.77
Passengers carried (earning revenue) one mile per mile of road.....	149,549	139,297	10,252	7.36
Average journey per passenger..... miles	118.46	120.77	2.31	1.91
Average amount received per passenger..... \$	2.30	2.31	.01	.43
per passenger mile..... cts.	1.94	1.92	.02	1.04
Average number of passengers per train mile.....	75.53	75.53	—	.06
car.....	15.63	15.62	.01	.134
Revenue from passengers per passenger car mile..... cts.	30.31	29.91	.40	1.16
Total passenger train earnings per train mile..... \$	1.75	1.73	.02	1.16
mile of road..... \$	3,471.85	3,191.71	280.14	8.78
<b>FREIGHT TRAFFIC.</b>				
Tons of revenue freight carried one mile.....	10,180,782,322	7,859,966,837	2,320,815,485	29.53
non-rev. ".....	1,615,529,852	1,241,451,628	374,078,224	30.13
Total tons (all classes) freight carried one mile.....	11,796,312,174	9,101,418,465	2,694,893,709	29.61
Tons of revenue freight carried one mile per mile of road.....	945,519	759,983	185,536	24.41
Tons of non-rev. freight carried one mile per mile of road.....	150,039	120,036	30,003	25.00
Total tons (all classes) freight carried one mile per mile of road.....	1,095,558	880,019	215,539	24.49
Average amount received per ton per mile of revenue freight..... cts.	0.772	0.819	.047	5.74
Average No. of tons of revenue freight per train mile.....	372.02	336.16	35.86	10.67
non-rev. ".....	59.03	53.09	5.94	11.19
(all classes) ".....	431.05	389.25	41.80	10.74
revenue freight per loaded car mile.....	18.30	17.06	1.24	7.27
Average No. of tons of non-rev. freight per loaded car mile.....	2.91	2.69	.22	8.18
Average No. of tons of (all classes) freight per loaded car mile.....	21.21	19.75	1.46	7.39
Freight train earnings per loaded car mile..... cts.	14.13	13.97	.16	1.15
train mile..... \$	2.87	2.75	.12	4.36
mile of road..... \$	7,298.71	6,222.89	1,075.82	17.29

STATEMENT OF CANADIAN PACIFIC RAILWAY PENSION DEPARTMENT  
TO JUNE 30TH, 1912.

Balance at June 30th, 1911.....	\$670,487.46
Amount contributed by Company for year.....	125,000.00
Amount received as interest.....	39,582.24
	<hr/>
	\$835,069.70
Payment of Pension Allowances for year.....	149,665.38
	<hr/>
Balance in Cash and Investments.....	<u>\$685,404.32</u>

NUMBER ON PENSION ROLL AT JUNE 30TH, 1912.

Under 60 years of age.....	64
Between 60 and 70 years of age.....	269
Over 70 years of age.....	204
	<hr/>
Total.....	<u>537</u>







MAP OF THE  
**CANADIAN PACIFIC RAILWAY**  
THE MINNEAPOLIS, ST. PAUL & SAULT STE. MARIE RAILWAY  
THE DULUTH, SOUTH SHORE & ATLANTIC RAILWAY  
AND CONNECTIONS



Traffic Arrangement or  
Trackage Rights Only  
Under Construction  
Indicates Double Track

SCALE OF MILES  
0 50 100 150 200

Corrected to June 1912.  
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