

ANNUAL REPORT

OF THE

CANADIAN PACIFIC

RAILWAY COMPANY

FOR THE

FISCAL YEAR ENDED JUNE 30TH

1905.

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MONTREAL, AUGUST, 1905.

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# ANNUAL REPORT

OF THE

## CANADIAN PACIFIC RAILWAY COMPANY

FOR THE

FISCAL YEAR ENDED JUNE 30TH, 1905.

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### NOTICE TO SHAREHOLDERS.

The Twenty-Fourth Annual Meeting of the Shareholders of this Company for the election of the Directors to take the places of the retiring Directors, and the transaction of business generally, will be held on Wednesday, the 4th day of October next, at the principal office of the Company at Montreal, at Twelve o'clock, noon.

The Common Stock transfer books will close in Montreal, New York and London at 3 p.m. on Friday, September 1st. The Preference Stock books will also close at 3 p.m. on Friday, 1st September.

All books will be re-opened on Thursday, 5th October

By order of the Board

CHARLES DRINKWATER,  
*Secretary.*

Montreal, August 25th, 1905.









# CANADIAN PACIFIC RAILWAY COMPANY

## TWENTY-FOURTH ANNUAL REPORT

OF THE

DIRECTORS OF THE CANADIAN PACIFIC RAILWAY COMPANY  
FOR THE YEAR ENDED JUNE 30TH, 1905.

*To the Shareholders.*

The accounts of the Company for the year ended June 30th, 1905, show the following results:—

Gross Earnings .....	\$50,481,882.25
Working Expenses .....	35,006,793.79
Net Earnings .....	<u>\$15,475,088.46</u>
Interest on deposits and loans .....	\$372,531.47
Interest due from the Duluth South Shore & Atlantic Ry. Co. on Consolidated bonds held by the Company.....	\$604,280.00
Less advanced by the Company.....	179,280.00
	<u>425,000.00</u>
Interest from Minneapolis, St. Paul & Sault Ste. Marie Ry. Co. on bonds held by the Company.....	159,720.00
Interest from Mineral Range Railroad Co. on Bonds held by the Company .....	50,160.00
Interest from Montreal & Atlantic Ry. on bonds held by the Company.....	47,250.00
Dividends on Minneapolis, St. Paul & Sault Ste. Marie Ry. Preferred and Ordinary Stocks held by the Co. ....	530,002.00
	<u>1,584,663.47</u>
	\$17,059,751.93
Deduct Fixed Charges.....	<u>7,954,065.76</u>
Surplus .....	\$ 9,105,686.17
Deduct amount applied against cost of Steamships and for contribution to Pension Fund .....	230,000.00
	<u>\$ 8,875 686.17</u>
Carried forward.....	\$ 8,875 686.17

<i>Brought forward</i> .....		\$ 8,875,686.17
From this there has been charged a half yearly dividend on Preference Stock of 2 per cent. paid 1st April, 1905	\$757,066.66	
And a half yearly dividend on Ordinary Stock of 3 per cent., paid 1st April, 1905 .....	2,535,000.00	3,292,066.66
		<u>\$ 5,583,619.51</u>
From this there has been declared a second half-yearly dividend on Preference Stock of 2 per cent., payable 2nd October, 1905.....	\$757,066.66	
And a second half-yearly dividend on Ordinary Stock of 3 per cent., payable 2nd October, 1905.....	3,042,000.00	

2. The working expenses for the year amounted to 69.35 per cent. of the gross earnings, and the net earnings to 30.65 per cent. as compared with 69.42 and 30.58 per cent. respectively in 1904.

3. Four per cent. Consolidated Debenture Stock to the amount of £1,406,575 was created and sold, and the proceeds were applied as authorized by you towards the construction of branch lines and the acquisition of mortgage bonds of the Calgary and Edmonton Railway Company, the Tilsonburg, Lake Erie and Pacific Railway Company, the Northern Colonization Railway Company and the Guelph and Goderich Railway Company, the interest on which had been guaranteed by your Company.

4. Preference Stock to the amount of £900,000 was also created and sold and the proceeds applied to purposes for which your authority had already been obtained.

5. During the year 509,386 acres of land were sold for \$2,446,300, being an average of \$4.80 per acre, and from the proceeds of land sales a further amount of \$3,500,000 was deposited with the Dominion Government on account of the \$15,000,000 Land Bonds Mortgage, leaving a balance due on account of this Mortgage of \$8,000,000, against which are deferred payments, on account of land and townsites sold, of \$14,659,179.63.

6. Your Company's guarantee was endorsed on Consolidated Bonds of the Minneapolis, St. Paul and Sault Ste. Marie Railway Company to the amount of \$3,620,000, representing the cost of 181 miles of additional railway con-

structed in extension of its system, which extension promises to add to the already prosperous business of that Company.

7. Two additional steamships for the Atlantic service of 14,500 tons gross register and  $18\frac{1}{2}$  knots sea speed are being constructed under a contract authorized at the last annual meeting. It is expected that these steamships will be ready for service on the opening of St. Lawrence navigation in 1906. Their cost with equipment will be approximately £800,000, and a resolution authorizing the issue and sale of the necessary securities to meet this expenditure will be submitted for your approval.

8. For the purpose of reaching the trade and participating in the development of Vancouver Island, your Directors secured the necessary legislation and made the requisite agreements to enable you to acquire control of the Esquimault and Nanaimo Railway extending from Victoria to Wellington, a distance of seventy-eight miles. The Esquimault and Nanaimo Railway Company owns a land grant on Vancouver Island of approximately 1,600,000 acres. You will be asked to authorize a lease of the railway of the Esquimault Company to your Company for a term of years, at a rental equal to the interest at the rate of four per cent. per annum, payable on bonds from time to time issued by that Company with the consent of your Company, to an amount not exceeding \$30,000 per mile of the railway, upon the condition that the Esquimault Company shall apply the proceeds of all sales of land towards the redemption of said bonds at par until such time as the total amount of said bonds outstanding shall have been reduced from \$30,000, per mile to \$14,000 per mile of railway.

9. Your Directors have entered into an agreement for an interchange of traffic at the International Boundary with the Spokane International Railway Company whose line will be connected with yours by a branch, twelve miles in length, now under construction from Yahk on your British Columbia Southern line. By this means your railway and its connections will secure access to Spokane, a most important commercial and industrial centre in the State of Washington.

10. The Nicola, Kamloops & Similkameen Railway Company are constructing a railway from Spence's Bridge on your main line in British Columbia to the coal fields in Nicola Valley, a distance of forty-five miles. It is intended that this line shall be gradually extended through the Similkameen Valley, and, eventually, to a connection with your Columbia and Western section at Midway. There will be submitted for your approval a resolution authorizing a lease by your Company of the section now under construction at a rental equal to the interest at four per cent. per annum on bonds of that Company issued with the consent of your Company to an amount not exceeding \$30,000 per mile.

11. On all your traffic to and through St. John, N.B. you have been required to pay tolls to the St. John Bridge and Railway Extension Company, owners of the bridge between your terminus at Carleton and the City of St. John. With the increase in business these tolls became burdensome, and your Directors decided to ask your authority to build another bridge unless some more favourable agreement could be made with the proprietors of the present structure. An arrangement has been made that gives your Company absolute control of the property at a cost of \$200,000, and a resolution will be brought before the meeting authorizing Capital expenditure to that amount. The property is subject to outstanding mortgage bonds to the amount of \$125,000 bearing interest at 5% per annum and to a Government lien of \$433,900 at four per cent. per annum. This transaction will, on the basis of last year's traffic, represent to your Company an annual saving of over \$30,000.

12. To serve a large district that is being rapidly settled it is necessary to build a branch line from a point in the vicinity of Wolseley, on your main line to Reston on the Souris Branch, a distance of 122 miles. A resolution will be submitted approving the construction of this line and authorizing the issue and sale of the requisite Four per cent. Consolidated Debenture Stock for the purpose.

13. There will be laid on the table for your further information, and you will be asked to approve an agreement between

your Company and the British Columbia Electric Company for the operation by electricity of your Vancouver and Lulu Island Railway between Vancouver and Steveston, in order that a more frequent service may be provided than would be practicable on a line operated by steam. The agreement provides, amongst other things, that the Electric Railway Company shall equip the railway as an electric line and operate it continuously over its whole length, giving a good and sufficient service, until February 11th, 1924, unless the property of the Electric Company be taken over by the City of Vancouver in 1919, in which event the contract will lapse.

14. The construction of the second track between Winnipeg and Fort William, mentioned at the last annual meeting, is proceeding, and it is expected that the work will be completed in about three years, by which time everything indicates that it will be urgently required. In the meantime, as the result of your expenditures for the reduction of grades and general improvements, enabling you to run heavier locomotives and cars, you can move over the single track between Winnipeg and Fort William a very much larger tonnage than would have been possible in previous conditions.

15. The construction of the main canal and of secondary canal "A", for the irrigation of the Company's lands between Calgary and Gleichen, is progressing satisfactorily, and it is expected that about 110,000 acres of irrigated land will be available early next year. Work will then be prosecuted on secondary canal "B," for the purpose of bringing water on about 200,000 additional acres.

16. For some time past your Directors have been engaged in the development of a coal mine on the Company's lands near Banff. The development work is nearing completion and the mine promises not only to safeguard your fuel supply in that district but to be a source of considerable profit.

17. You will observe that the item "Cash subsidies from Dominion and Provincial Governments and Municipalities," and so much of the proceeds of land sales as were applied to

the construction and equipment of the railway, have been transferred from the credit side of the balance sheet, where they have appeared up to the present time, to the other side of the account in reduction of the item "Cost of Railway and Equipment." After providing for the outstanding land grant bonds the balance of the proceeds of sales amounting to \$7,676,552 is a free asset, and may properly be classed with your surplus, available for any purpose.

18. Of the additional \$25,500,000 ordinary capital stock authorized at the last annual meeting, the amount of \$16,900,000 was offered to the shareholders at par, and all was subscribed for excepting 2,500 shares, which will be sold in the open market.

19. Your Directors recommend that an amount equivalent to 15% of the last issue of ordinary share capital, or \$2,535,000 be transferred, as was done in the case of the previous issue, from the accumulated surplus earnings; this amount to be transferred to a special fund for improvements, and for such other purposes as in the opinion of your Directors may conduce to the Company's advantage.

20. In accordance with the By-laws of the Company the undermentioned Directors will retire from office at the approaching Annual Meeting; they are eligible for re-election:

CHAS R. HOSMER, ESQ.  
 HON. ROBERT MACKAY  
 DAVID McNICOLL, ESQ.  
 ROBERT G. REID, ESQ.

21. The Company sustained a serious loss by the death in March last of Mr. George R. Harris, who had been a member of your Board since 1885. He was always an active and zealous member of the Board, and at all times evinced the greatest interest in the welfare of the Company.

For the Directors,

T. G. SHAUGHNESSY

MONTREAL, August 25th, 1905.

*President.*

the construction and equipment of the railway have been transferred from the credit side of the balance sheet where they have appeared up to the present time to the debit side of the account in reduction of the item "Cost of Railway and Equipment". After providing for the outstanding land grant bonds the balance of the proceeds of sales amounting to \$7,676,552 is a free asset and may properly be classed with your surplus available for any purpose.

18. Of the additional \$25,500,000 ordinary capital stock authorized at the last annual meeting, the amount of \$10,000,000 was offered to stockholders at par and all was subscribed for excepting 2,500 shares, which will be sold on the open market.

## APPENDIX

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CANADIAN PACIFIC  
CONDENSED BALANCE

COST OF RAILWAY AND EQUIPMENT. ....	\$275,837,497.22	
Less amount Subsidies and Bonuses received .....	\$30,752,195.07	
Less proceeds of land sales expended in construction.....	36,193,521.00	
	\$66,945,716.07	
		\$208,891,781.15
OCEAN, LAKE AND RIVER STEAMSHIPS .....	\$15,217,113.18	
Less amount applied in reduction of cost. ....	2,268,224.69	
ACQUIRED SECURITIES (COST):		12,948,888.49
Exhibit "A".....		52,300,534.22
PROPERTIES HELD IN TRUST FOR THE COMPANY .....		1,935,608.24
DEFERRED PAYMENTS ON LAND AND TOWN SITE SALES		14,659,179.63
ADVANCES:		
To Duluth South Shore & Atlantic Ry., Car Trusts, etc.		236,213.19
MATERIAL AND SUPPLIES ON HAND.....		8,191,297.27
STATION AND TRAFFIC BALANCES, ACCOUNTS RECEIVABLE		3,870,440.19
IMPERIAL AND DOMINION GOVERNMENTS:		
Accounts due for mail transportation .....		254,612.42
CASH IN HAND .....		16,496,291.41
		\$319,784,846.21

NOTE.—In addition to the above assets, the Company owns 10,863,977 acres of land in Manitoba and the Territories (average sales past year \$4.80 per acre) and 3,681,480 acres in British Columbia.



## RAILWAY COMPANY

SHEET JUNE 30, 1905

CAPITAL STOCK .....		\$84,500,000.00
PAYMENTS ON SUBSCRIPTION TO NEW ISSUE CAPITAL STOCK, \$16,900,000.00 .....		14,238,074.00
FOUR PER CENT. PREFERENCE STOCK .....		37,853,333.33
FOUR PER CENT. CONSOLIDATED DEBENTURE STOCK ..		89,200,549.32
MORTGAGE BONDS:		
First Mortgage Bonds, 5 per cent. ....	\$34,998,633.33	
Canada Central Ry., 6 per cent. ....	973,333.33	
Due Prov. of Que. on Q. M. O. & O. & N.S. Ry. ....	7,000,000.00	
Algoma Branch, 1st Mortgage .....	3,650,000.00	
North Shore Ry., 1st Mortgage .....	616,119.67	
		47,238,086.33
LAND GRANT BONDS:		
Guaranteed 3½ per cent. Land Bonds. ....	\$15,000,000.00	
Less amount paid Dominion Government towards redemption .....	7,000,000.00	
		8,000,000.00
CURRENT ACCOUNTS, PAY ROLLS AND TRAFFIC BALANCES .....		8,183,221.95
INTEREST ON FUNDED DEBT AND RENTAL OF LEASED LINES:		
Coupons due 1st July, 1905, and including Coupons overdue not presented. ....	\$1,484,203.94	
Accrued to date not due .....	284,879.96	
		1,769,083.90
EQUIPMENT REPLACEMENT FUND .....		874,279.55
STEAMSHIP REPLACEMENT FUND .....		340,666.67
LAND GRANT:		
Sales of Land and Town Sites .....		7,676,552.25
SURPLUS .....		19,910,998.91
		<u>\$319,784,846.21</u>

I. G. OGDEN,  
3rd Vice-President.

## FIXED CHARGES FOR YEAR ENDING JUNE 30th, 1905.

£ 7,191,500		1st Mortgage Bonds 5% due July 1st, 1915 . . . . .	\$ 1,749,931.66
\$ 7,000,000		Province of Quebec, 4½% . . . . .	283,500.00
£ 200,000		Canada Central Ry. 2nd Mortgage 6% Bonds due Nov. 1st, 1910. . . . .	58,400.00
£ 200,000		St. Lawrence & Ottawa Ry. 4% 1st Mortgage Bonds due June 15th, 1910 . . . . .	38,933.34
\$ 2,544,000		Man. South Western Colonization Ry. 1st Mort- gage 5% Bonds due June 1st, 1934 . . . . .	127,200.00
		Toronto, Grey & Bruce Ry. Rental . . . . .	140,000.00
£ 4,007,331	15s. 5d.	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, (less Government proportion) due Jan. 1, 1937	136,333.34
£ 750,000		Algoma Branch 5% 1st Mortgage Bonds due July 1st, 1937 . . . . .	182,500.00
		Rental, Calgary & Edmonton Ry . . . . .	138,357.60
		Rental, Farnham to Brigham Jct. . . . .	1,400.00
		Rental, Mattawamkeag to Vanceboro . . . . .	23,800.00
		Rental, New Brunswick Railway System . . . . .	372,829.74
		Rental of Terminals at Toronto . . . . .	31,553.64
		Rental of Terminals at Hamilton. . . . .	33,754.40
		Rental, Hamilton Jct. to Toronto. . . . .	40,027.86
		Rental St. Stephen and Milltown Ry. . . . .	2,050.00
		Rental Lindsay, Bobcaygeon & Pontypool Ry .	9,661.54
		Rental, Lachine Canal Branch. . . . .	1,021.80
		Interest on Montreal & Western Ry. purchase. .	19,235.77
		Interest on Equipment Leases. . . . .	146,643.00

## 4% CONSOLIDATED DEBENTURE STOCK.

£17,022,305	Interest from July 1st, 1904. . . . .	\$3,313,675.36
165,690	Interest from January 1st, 1905. . . . .	16,127.15
1,140,885	Interest from July 1st, 1905 . . . . .	
£18,328,880		\$3,329,802.51
Less received from Subsidy		
Northern Colonization Railway. . . . .	8,000.00	\$3,321,802.51
		<u>\$ 7,954,065.76</u>

## EXHIBIT "A"

## ACQUIRED SECURITIES

## MORTGAGE BONDS

			PAR VALUE
Atlantic & North-West Ry., Eganville Branch .....	4%	First Mortgage.....	\$ 302,400.00
British Columbia Southern Ry. ....	5%	First " .....	967,500.00
Calgary and Edmonton Ry.	4%	First " .....	1,040,000.00
Columbia & Kootenay Ry.	4%	First " .....	1,277,500.00
Columbia & Western Ry. . .	5%	First " .....	5,691,000.00
Duluth, South Shore & At- lantic Ry. ....	4%	Consolidated Mortgage.....	15,107,000.00
Great North West Central Ry. ....	5%	First " .....	875,000.00
Guelph & Goderich Ry. ....	4%	First " .....	2,002,500.00
Minneapolis, St. Paul & Sault Ste. Marie Ry. ....	4%	Consolidated " .....	3,993,000.00
Mineral Range Railroad . . .	4%	First " .....	1,254,000.00
Manitoba & North Western Ry. ....	6%	First " £539,900 ..	2,627,513.33
Manitoba & North Western Ry. ....	5%	First " £219,000 ..	1,065,800.00
Manitoba & North Western Ry., Shell River Branch	5%	First " £ 33,000 ..	160,600.00
Saskatchewan & Western Ry. ....	5%	First " £ 37,200 ..	181,040.00
Montreal & Ottawa Ry. ....	5%	First " .....	1,636,250.00
Manitoba South Western Colonization Railway .....	5%	First " .....	72,000.00
Montreal & Atlantic Ry. . .	5%	First " .....	945,000.00
North Shore Railway .....	5%	First " .....	616,119.67
Northern Colonization Ry.	4%	First " .....	418,000.00
Kootenay & Arrowhead Ry	5%	First " .....	780,000.00
Vancouver & Lulu Island Ry. ....	5%	First " .....	280,000.00
Great North West Cen. Ry.	5%	First " .....	500,000.00
Ottawa, Northern & West- ern Ry. ....	4%	First " .....	3,075,000.00
Tilsonburg, Lake Erie & Pacific Ry. ....	4%	First " .....	875,000.00
Pacific Steamships .....	4%	First " £720,000. . .	3,504,000.00
Souris Branch .....	4%	First " £400,000. . .	1,946,666.67
Pacific Coast Steamships . .	5%	First " £225,000. . .	1,095,000.00
Town of Morris, Manitoba.		Bonds .....	15,000.00

## OTHER SECURITIES

Duluth South, Shore & At- lantic Ry. ....		Income Certificates .....	\$3,000,000.00
Atlantic & North West Ry.	5%	Guaranteed Stock .....	3,240,000.00
Calgary & Edmonton Ry. . .		Ordinary .....	1,000,000.00
Canada North West Land Company .....		Ordinary " .....	140,625.00
Chateau Frontenac Hotel . .		Ordinary " .....	280,000.00
Dominion Express Co. ....		Ordinary " .....	2,000,000.00
Duluth, South Shore & At- lantic Ry. ....		Preferred " .....	5,100,000.00
Duluth, South Shore & At- lantic Ry. ....		Ordinary " .....	6,100,000.00
Kingston & Pembroke Ry. . .		First Preferred Stock .....	995,450.00
do		Second Preferred Stock .....	134,650.00
do		Ordinary Stock .....	1,777,650.00
Minneapolis, St. Paul & Sault Ste. Marie Ry. ....		Preferred " .....	3,533,400.00
Minneapolis, St. Paul & Sault Ste. Marie Ry. ....		Ordinary " .....	7,066,600.00
Manitoba & North Western Railway .....	5%	Debenture " £126,000. . . . .	613,200.00
Manitoba & North Western Railway .....	5%	Preferred " .....	415,000.00
Manitoba & North Western Railway .....		Common " .....	5,612,113.63
Montreal & Atlantic Ry. . .		Common " .....	2,160,000.00
Nakusp & Slocan Ry. ....		Ordinary " .....	35,000.00
Ontario & Quebec Ry. ....		Ordinary " .....	5,000.00
Ottawa, Northern & West- ern Railway .....		Common " .....	1,300,000.00
Saskatchewan & Western Railway .....		Common " .....	232,500.00
South Ontario Pacific Ry. . .		Ordinary " .....	20,000.00
Tilsonburg, Lake Erie & Pacific Ry. ....		Common " .....	400,000.00
			<u>\$97,464,078.30</u>

## EXHIBIT "B"—LANDS.

## SALES—

	ACRES	AMOUNT REALIZED	AVERAGE PER ACRE
CANADIAN PACIFIC LAND GRANTS—			
July 1st, 1904, to June 30th, 1905 .....	411,451	\$2,045,800	\$4.97
July 1st, 1903 to June 30th, 1904 .....	857,474	3,516,864	4.10
MANITOBA SOUTH WESTERN GRANT—			
July 1st, 1904 to June 30th, 1905 .....	80,342	296,936	3.70
July 1st, 1903 to June 30th, 1904 .....	29,522	113,303	3.84
GREAT NORTH WEST CENTRAL GRANT—			
July 1st, 1904 to June 30th, 1905 .....	17,593	103,564	5.89
July 1st, 1903 to June 30th, 1904 .....	41,858	177,081	4.23
TOTAL SALES—			
July 1st, 1904 to June 30th, 1905 .....	509,386	2,446,300	4.80
July 1st, 1903 to June 30th, 1904 .....	928,854	3,807,248	4.10

## POSITION OF LAND GRANTS AT JUNE 30TH, 1905.

	ACRES	ACRES
CANADIAN PACIFIC—		
Grants .....	26,710,400	
Disposed of to the Dominion Government under agree- ment of March 30th, 1886. ....	6,793,014	
Sales to June 30th, 1905 .....	9,534,724	19,917,386
Less, cancelled during year .....	33,092	
		9,501,632
Quantity of land unsold .....		10,415,754
MANITOBA SOUTH WESTERN—		
Total Grant .....	1,396,800	
Sales to June 30th, 1905 .....	1,077,758	
Less, cancelled during year .....	481	
		1,077,277
Quantity of land unsold .....		319,523
GREAT NORTH WEST CENTRAL—		
Total Grant .....	320,004	
Sales to June 30th, 1905 .....	192,744	
Less, cancelled during year .....	1,440	
		191,304
Quantity of land unsold .....		128,700
Total agricultural land owned by the Company .....		10,863,977
BRITISH COLUMBIA LANDS		
COLUMBIA AND KOOTENAY—		
Total Grant .....	190,000	
Sales to June 30th, 1905 .....	50,758	
Quantity of land unsold .....		139,242
BRITISH COLUMBIA SOUTHERN—		
Total Grant .....	3,600,000	
Sales to June 30th, 1905 .....	58,249	
Less, cancelled during year .....	487	
		57,762
Quantity of land unsold .....		3,542,238
Total British Columbia Lands owned by the Company .....		3,681,480

In addition to the foregoing the Company is to receive through the Columbia and Western Ry. about 2,500,000 acres of land.

## EXHIBIT "C"

## DETAILS OF BALANCE SHEET ITEM

LAND GRANTS	
9,501,632 acres and Townsites sold, amounting to .....	\$35,259,023.28
6,793,014 acres disposed of to the Dominion Government in 1886 ..	10,189,521.00
	<hr/>
Less:—Expenses, cultivation rebate and 10% on Land Grant Bonds retired and cancelled .....	45,448,544.28
	4,353,090.55
	<hr/>
ADD:—	41,095,453.73
Proceeds Manitoba South Western Colonization Ry. Land Sales....	1,948,919.62
Proceeds Great North West Central Ry. Land Sales .....	768,998.66
Proceeds Manitoba and North Western Ry. Land Sales .....	20,158.26
	<hr/>
Proceeds British Columbia Land Sales .....	43,833,530.27
	258,132.87
	<hr/>
Interest on Deferred Payments, in excess of Interest on Land Bonds	44,091,663.14
	575,105.35
	<hr/>
DEDUCT:—	44,666,768.49
Expenditures on Irrigation .....	796,695.24
	<hr/>
Amount expended in construction of Railway and Equipment and now deducted from cost of property .....	\$43,870,073.25
	36,193,521.00
	<hr/>
	\$ 7,676,552.25
	<hr/> <hr/>

RECEIPTS AND EXPENDITURES  
YEAR ENDED JUNE 30TH, 1905

Cash in hand June 30th, 1904.....		\$11,741,703.14
<b>RECEIPTS:</b>		
Surplus revenue as per statement .....		9,105,686.17
<b>LAND DEPARTMENT</b>		
Lands and Townsites		
Net proceeds of sales .....	2,757,457.69	
Less amounts remaining in Deferred Payments...	2,436,174.92	
	321,282.77	
Collection of Deferred Payments on previous years' sales.....	2,981,476.21	
		3,302,758.98
<b>BONUSES</b>		
Dominion Government Subsidy on		
Dymont Branch .....	22,336.00	
Pheasant Hills Branch .....	56,576.00	
		78,912.00
<b>SUBSCRIPTIONS TO \$16 900,000 ADDITIONAL ORDINARY STOCK</b>		
Payments on instalments.....		14,238,074.00
<b>FOUR PER CENT. PREFERENCE STOCK</b>		
Amount realized from issue of £900,000.....		4,365,407.48
<b>CONSOLIDATED DEBENTURE STOCK</b>		
Amount realized from issue of £1,406,575.....		7,273,056.18
		\$50,105,597.95
<b>ADD</b>		
Station and Traffic Balances .....	3,870,440.19	
Due from Imperial and Dominion Governments....	254,612.42	
	4,125,052.61	
Amount at June 30th, 1904 .....	6,912,414.73	
		2 787,362.12
		\$52,892,960.07

## EXPENDITURES :

Dividends on Preference Stock		
2 per cent. paid October 1st, 1904 .....	\$ 698,666.65	
2 per cent. paid April 1st, 1905 .....	757,066.66	
	<hr/>	\$ 1,455,733.31
Dividends on Ordinary Stock		
3 per cent. paid October 1st, 1904 .....	2,535,000.00	
3 per cent. paid April 1st, 1905 .....	2,535,000.00	
	<hr/>	5,070,000.00
Pension Fund,		
Amount contributed for the year.....		80,000.00
Properties held in trust for the Company .....		1,121,115.32
Construction acquired and branch lines, Exhibit "D" .....		3,569,408.54
Additions and Improvements, main line and branches, Exhibit "E" .....		7,898,205.36
Additions and Improvements, leased and acquired lines, Exhibit "F" .....		1,085,240.78
Rolling Stock, Shops and Machinery.....		3,736,083.79
Angus Shops at Montreal .....		1,100,911.06
Ocean, Lake and River Steamships,		
Fitting Atlantic Steamships for Passenger Service.....	23,993.87	
Additional barges and appurtenances .....	62,508.60	
Payments on account New Atlantic Steamships..	1,103,265.71	
	<hr/>	1,189,768.18
Land Grant Bonds,		
Amount paid Dominion Government on account of bonds .....		3,500,000.00
<u>Securities Acquired</u>		
Northern Colonization Ry. 1st Mortgage Bonds..	418,000.00	
Tilsonburg, Lake Erie & Pacific Ry. 1st Mortgage Bonds and Ordinary Stock .....	875,000.00	
Calgary & Edmonton Ry. 1st Mortgage Bonds...	1,040,000.00	
Guelph & Goderich Ry. 1st Mortgage Bonds... ..	2,002,500.00	
Montreal & Atlantic Ry. 1st Mortgage Bonds.....	945,000.00	
Less previous advances .....	799,627.03	
	<hr/>	145,372.97
Transferred from Treasury Securities and Advances to Acquired Securities .....	429,893.52	
	<hr/>	4,910,766.49
Increase in material and supplies on hand.....		2,388,803.42
	<hr/>	\$37,106,036.25
Less increase in current liabilities .....		709,367.59
	<hr/>	36,396,668.66
Cash in hand.....		16,496,291.41
	<hr/>	\$52,892,960.07
	<hr/>	

## EXHIBIT "D"

## CONSTRUCTION—ACQUIRED AND BRANCH LINES

Lachine Canal Branch.....	\$ 5,250.51	
Souris Branch—Pipestone Extension.....	90.45	
do —Arcola-Regina Extension.....	755,589.76	
Selkirk Branch—Lake Winnipeg Extension.....	4,688.22	
Waskada Branch.....	338.02	
McGregor Branch.....	706.51	
do Brookdale Extension.....	169,751.01	
Snowflake Branch.....	2,633.96	
Lauder Branch.....	687.87	
Darlingford Extension.....	49,331.71	
Wolseley—Reston Extension.....	119,361.48	
Pheasant Hills Branch .....	775,486.92	
North Star Branch.....	428.06	
Surveys projected Lines.....	4,591.86	
Trail Creek and Columbia Ry.....Credit	7,500.00	
		\$ 1,881,436.34
Toronto-Sudbury Line .....		1,687,972.20
		<u>\$ 3,569,408.54</u>



## EXHIBIT "E"

DETAILS OF EXPENDITURE ON ADDITIONS AND IMPROVEMENTS FROM  
JULY 1ST, 1904, TO JUNE 30TH, 1905.

## MAIN LINE:

## QUEBEC TO BONFIELD:

Additional sidings, buildings, stations and yards .....	\$ 36,348.32	
Permanent bridges and improvements of line.....	142,574.68	
Wharves, docks and warehouses.....	345.60	
		<u>\$179,268.60</u>

## BONFIELD TO PORT ARTHUR:

Additional sidings, buildings, stations and yards .....	57,421.74	
Permanent bridges and improvements of line.....	353,865.79	
Wharves, docks and warehouses .....	1,620.00	
		<u>412,907.53</u>

## PORT ARTHUR TO LAGGAN:

Additional sidings, buildings, stations and yards .....	509,703.20	
Permanent bridges and improvements of line.....	2,230,260.30	
Winnipeg Hotel and Station.....	722,621.63	
Winnipeg Shops .....	1,039,572.40	
Winnipeg Terminal.....	698,664.11	
Wharves, docks and warehouses .....	215,306.65	
Coal handling plant, Fort William.....	65,432.55	
Port Arthur Elevator .....	8,800.82	
		<u>5,490,361.66</u>

## LAGGAN TO VANCOUVER:

Additional sidings, buildings, stations and yards .....	94,007.95	
Permanent bridges and improvements of line.....	448,407.90	
Wharves, docks and warehouses .....	13,688.14	
Diversion of line at Clanwilliam .....	105,635.12	
		<u>661,739.11</u>
Victoria Hotel .....	217,033.18	
Montreal Terminals .....	222,675.56	
		<u>7,183,985.64</u>
Total Main Line carried forward .....		7,183,985.64

Main Line, brought forward .....		7,183,985.64	
BRANCH LINES :			
South Western Branch .....		17,544.29	
Stonewall Branch .....		1,792.77	
Selkirk Branch .....		7,563.47	
Emerson Branch .....		27,793.22	
Nakusp and Slocan Branch .....		18,589.03	
Revelstoke and Arrow Lake Branch .....		4,180.51	
Mission Branch .....		1,799.09	
New Westminster Branch .....		800.64	
SOURIS BRANCH :			
Additional sidings, buildings, stations and yards .....	47,225.84		
Permanent bridges and improvements of line .....	<u>75,334.53</u>		
			122,560.37
ALGOMA BRANCH:			
Additional sidings, buildings, stations and yards .....	7,625.91		
Permanent bridges and improvements of line .....	<u>108,066.58</u>		
			115,692.49
CROW'S NEST PASS BRANCH:			
Additional sidings, buildings, stations and yards .....	6,380.86		
Permanent bridges and improvements of line .....	<u>63,159.41</u>		
			69,540.27
BRITISH COLUMBIA SOUTHERN RY.:			
Additional sidings, buildings, stations and yards .....	17,730.68		
Permanent bridges and improvements of line .....	<u>104,381.49</u>		
Balfour Extension .....	3,941.44		
		<u>126,053.61</u>	
			513,909.76
Telegraph Extensions and Additions .....			69,897.96
Rented and Temporary Sidings .....			113,828.31
Office Building, London, England (Completion) .....			<u>16,583.69</u>
Total for improvements, Main Line and Branches .....			<u><u>\$7,898,205.36</u></u>

## EXHIBIT "F"

DETAILS OF EXPENDITURE ON LEASED AND ACQUIRED LINES  
FROM JULY 1ST, 1904, TO JUNE 30TH, 1905.

## ONTARIO AND QUEBEC RAILWAY ;

Additional sidings, buildings, stations and yards . . . . .	402,226.91	
Permanent bridges and improvements of line . . . . .	254,104.14	
		656,331.05

## ATLANTIC AND NORTH-WEST RAILWAY ;

Additional sidings, buildings, stations and yards . . . . .	38,925.07	
Permanent bridges and improvements of line . . . . .	155,359.42	
		194,284.50

## NEW BRUNSWICK RAILWAY ;

Additional sidings, buildings, stations and yards . . . . .	17,089.50	
Permanent bridges and improvements of line . . . . .	44,195.96	
		61,285.46

## MONTREAL AND WESTERN RAILWAY ;

Additional sidings, buildings, stations and yards . . . . .	9,222.96	
Permanent bridges and improvements of line . . . . .	21,900.92	
Account purchase of road . . . . .	8,613.50	
		39,737.38

## MANITOBA SOUTH-WESTERN COLONIZATION RAILWAY ;

Additional sidings, buildings, stations and yards . . . . .	22,189.60	
Permanent bridges and improvements of line . . . . .	5,232.77	
		27,422.37

## COLUMBIA AND KOOTENAY RAILWAY ;

Additional sidings, buildings, stations and yards . . . . .	1,608.27	
Permanent bridges and improvements of line . . . . .	48,114.94	
		49,723.21

## MANITOBA AND NORTH-WESTERN RAILWAY ;

Additional sidings, buildings, stations and yards . . . . .	16,117.97	
Permanent bridges and improvements of line . . . . .	35,741.85	
		51,859.82

## GREAT NORTH-WEST CENTRAL RAILWAY ;

Additional sidings, buildings, stations and yards . . . . .	1,815.96	
Permanent bridges and improvements of line . . . . .	2,781.03	
		4,596.99

Total, leased and acquired lines . . . . .		1,085,240.78
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## STATEMENT OF EARNINGS FOR THE YEAR ENDED JUNE 30th, 1905.

From Passengers.....	\$13,583,052.11
" Freight.....	31,725,290.10
" Mails.....	703,896.48
" Sleeping Cars, Express, Elevators, Telegraph and Miscellaneous, including profit from Ocean Steamships.....	4,469,643.56
Total.....	<u>\$50,481,882.25</u>

STATEMENT OF WORKING EXPENSES FOR THE YEAR  
ENDED JUNE 30th, 1905

Conducting Transportation.....	\$16,905,848.92
Maintenance of Way and Structures.....	8,527,035.07
Maintenance of Equipment.....	6,616,257.76
Parlor and Sleeping Car Expenses.....	172,123.61
Expenses of Lake and River Steamers.....	515,397.02
General Expenses.....	1,634,698.91
Commercial Telegraph.....	635,432.50
Total.....	<u>\$35,006,793.79</u>

## STATEMENT OF EQUIPMENT AT JUNE 30TH, 1905

Locomotives.....	1,016
First and second class Passenger cars, Baggage cars, and Colonist sleeping cars..	881
First class sleeping and dining cars.....	141
Parlor cars, Official and Paymasters' cars.....	47
Freight and cattle cars, (all kinds).....	30,101
Conductors' vans.....	602
Board, Tool and Auxiliary Cars and Steam Shovels.....	1,189

## OCEAN, LAKE AND RIVER STEAMERS.

## ATLANTIC SERVICE:

Lake Manitoba	Monteagle
Lake Champlain	Montrose
Lake Michigan	Montreal
Lake Erie	Milwaukee
Mount Temple	Mount Royal
Montcalm	Montezuma
Montfort	Monmouth

## PACIFIC SERVICE:

Empress of India  
Empress of Japan  
Empress of China  
Tartar  
Athenian

## PACIFIC COAST SERVICE:

Amur	Princess May
Beaver	Princess Victoria
Charmer	Queen City
Danube	R. P. Rithet
Otter	Tees
Princess Beatrice	Yosemite
Princess Louise	

## UPPER LAKE SERVICE:

Manitoba  
Athabasca  
Alberta

## BRITISH COLUMBIA LAKE AND RIVER SERVICE:

Aberdeen	Sandon
Kokanee	Slocan
Minto	York
Moyie	Victoria
Nelson	Kootenay
Rossland	Valhalla
Columbia	Ymir
Proctor	

## FERRY SERVICE:

Michigan  
Ontario

## DESCRIPTION OF FREIGHT FORWARDED

		YEAR ENDED JUNE 30TH		
		1903	1904	1905
Flour .....	Barrels	5,110,757	5,270,432	5,010,868
Grain .....	Bushels	63,822,710	52,990,151	59,739,180
Live Stock .....	Head	1,103,686	1,314,814	1,360,560
Lumber .....	Feet	1,190,378,217	1,267,804,321	1,435,758,930
Firewood .....	Cords	268,401	270,803	261,794
Manufactured Articles .....	Tons	2,665,260	3,119,659	3,250,067
All other Articles .....	Tons	2,942,736	3,620,515	3,894,259

## FREIGHT TRAFFIC.

	YEAR ENDED JUNE 30TH		
	1903	1904	1905
Number of tons carried .....	10,180,847	11,135,896	11,892,204
Number of tons carried one mile .....	3,862,242,993	3,809,801,952	4,155,256,309
Earnings per ton per mile .....	0.74 cts	0.77 cts.	0.76 cts

## PASSENGER TRAFFIC.

	YEAR ENDED JUNE 30TH	
	1904	1905
Number of passengers carried .....	6,251,471	6,891,511
Number of passengers carried one mile .....	677,940,496	736,774,844
Earnings per passenger per mile .....	1.83 cts.	1.84 cts.



STATEMENT OF CANADIAN PACIFIC RAILWAY PENSION DEPARTMENT  
 TO JUNE 30TH, 1905.

Balance at June 30th, 1904 .....	\$340,660.54
Amount contributed by Company for year .....	80,000.00
Amount received from Interest .....	19,327.89
	<hr/>
Payments of Pension Allowances for year .....	\$439,988.43
	15,708.27
	<hr/>
Balance in Cash and Investments .....	<u>\$424,280.16</u>

NUMBER ON PENSION ROLL AT JUNE 30TH, 1905

Under 60 years of age .....	8
Between 60 and 70 years of age .....	54
Over 70 years of age .....	58
	<hr/>
Total .....	<u>120</u>



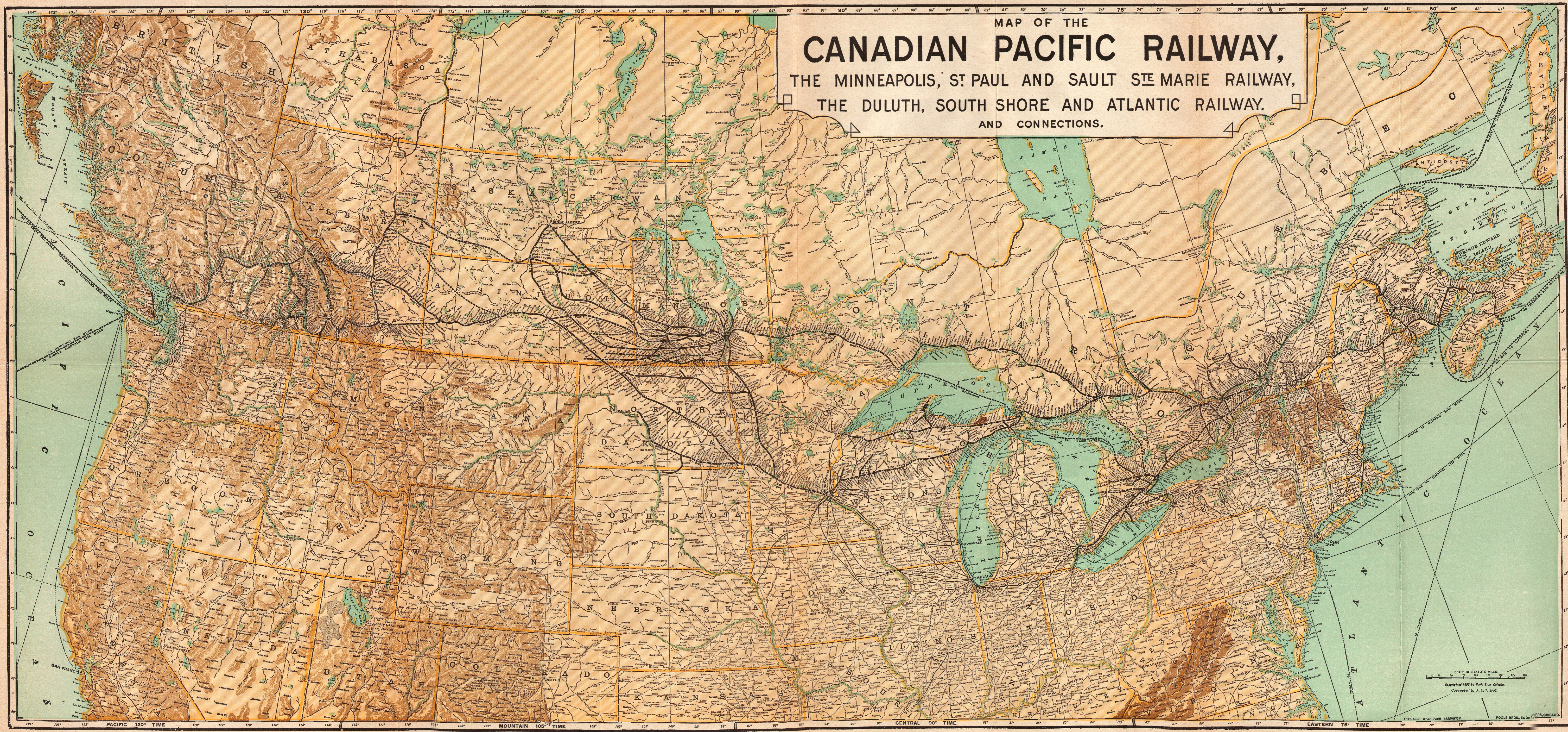








MAP OF THE  
**CANADIAN PACIFIC RAILWAY,**  
THE MINNEAPOLIS, ST. PAUL AND SAULT STE MARIE RAILWAY,  
THE DULUTH, SOUTH SHORE AND ATLANTIC RAILWAY,  
AND CONNECTIONS.



SCALE OF STATUTE MILES.  
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Corrected to July 7, 1905.



