

# CANADIAN PACIFIC RAILWAY COMPANY

## ANNUAL REPORT

FOR THE  
YEAR ENDED DECEMBER 31

1931

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MONTREAL, MARCH, 1932

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# CANADIAN PACIFIC RAILWAY COMPANY

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## NOTICE TO SHAREHOLDERS.

The Fifty-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 fourth day of May next at the principal office of the Company, at Montreal, at Twelve o'clock noon.

The Ordinary Stock Transfer Books will be closed in Montreal, New York and London at 3 p.m. on Tuesday, the twelfth day of April. The Preference Stock Books will be closed in London at the same time.

All books will be re-opened on Thursday, the fifth day of May.

By order of the Board,

ERNEST ALEXANDER,  
*Secretary.*

Montreal, March 14, 1932.



## BOARD OF DIRECTORS.

EDWARD W. BEATTY, - - - - -	MONTREAL.
HON. FREDERICK L. BEIQUE, P.C., K.C., SENATOR, - - -	do
W. A. BLACK, - - - - -	do
COL. HENRY COCKSHUTT, - - - - -	BRANTFORD.
SIR CHARLES GORDON, G.B.E., - - - - -	MONTREAL.
GRANT HALL, - - - - -	do
SIR HERBERT S. HOLT, - - - - -	do
RT. HON. REGINALD MCKENNA, - - - - -	LONDON, ENG.
ROBERT S. MCLAUGHLIN - - - - -	OSHAWA.
ROSS H. MCMASTER, - - - - -	MONTREAL.
COL. FRANK S. MEIGHEN, C.M.G., - - - - -	do
E. R. PEACOCK, - - - - -	LONDON, ENG.
JAMES A. RICHARDSON, - - - - -	WINNIPEG.
RT. HON. LORD SHAUGHNESSY, K.C., - - - - -	MONTREAL.
ROBERT C. STANLEY, - - - - -	NEW YORK.
W. N. TILLEY, K.C., - - - - -	TORONTO.
W. J. BLAKE WILSON, - - - - -	VANCOUVER.

## EXECUTIVE COMMITTEE.

EDWARD W. BEATTY	HON. FREDERICK L. BEIQUE, P.C., K.C.
SIR CHARLES GORDON, G.B.E.	GRANT HALL
SIR HERBERT S. HOLT	W. N. TILLEY, K.C.



## OFFICERS

CHAIRMAN AND PRESIDENT - - - - -	EDWARD W. BEATTY - -	MONTREAL.
VICE-PRESIDENT - - - - -	GRANT HALL - - -	do
SECRETARY - - - - -	ERNEST ALEXANDER - -	do
ASSISTANT SECRETARY - - - - -	H. C. OSWALD - - -	do
ASSISTANT SECRETARY - - - - -	IAN R. COLLINS - - -	do
GENERAL COUNSEL - - - - -	W. H. CURLE, K.C. - -	do
GENERAL SOLICITOR - - - - -	E. P. FLINTOFT, K.C. - -	do
GENERAL EXECUTIVE ASSISTANT - - - - -	J. O. APPS - - - -	do
ASST. TO THE VICE-PRESIDENT - - - - -	H. J. HUMPHREY - - -	do

## FINANCIAL AND ACCOUNTING DEPARTMENTS

VICE-PRESIDENT AND TREASURER - - - - -	JOHN LESLIE - - - -	MONTREAL.
ASSISTANT TREASURER - - - - -	F. G. MILLEN - - - -	do
ASSISTANT TREASURER - - - - -	A. E. H. CHESLEY - -	do
COMPTROLLER - - - - -	E. E. LLOYD - - - -	do
ASSISTANT COMPTROLLER - - - - -	L. B. UNWIN - - - -	do
ASSISTANT COMPTROLLER - - - - -	E. A. LESLIE - - - -	do

## TRAFFIC DEPARTMENT

VICE-PRESIDENT - - - - -	GEORGE STEPHEN - - -	MONTREAL
PASSENGER TRAFFIC MANAGER - - - - -	C. B. FOSTER - - - -	do
ASST. PASS. TRAFFIC MGR., EASTERN LINES - - - - -	R. G. MCNEILLIE - - -	do
ASST. PASS. TRAFFIC MGR., WESTERN LINES - - - - -	N. R. DESBRISAY - - -	WINNIPEG.
OVERSEAS PASSENGER MANAGER - - - - -	H. W. BRODIE - - - -	MONTREAL.
STEAMSHIP PASSENGER TRAFFIC MANAGER - - - - -	WM. BAIRD - - - -	do
ASST. STEAMSHIP PASSENGER TRAFFIC MGR. - - - - -	W. G. ANNABLE - - - -	do
FREIGHT TRAFFIC MANAGER - - - - -	C. E. JEFFERSON - - -	do
ASST. FREIGHT TRAFFIC MGR., EASTERN LINES - - - - -	G. HIAM - - - -	do
ASST. FREIGHT TRAFFIC MGR., WESTERN LINES - - - - -	H. W. GILLIS - - - -	WINNIPEG.
FOREIGN FREIGHT TRAFFIC MANAGER - - - - -	W. M. KIRKPATRICK - - -	MONTREAL.

*Eastern Lines:*

## OPERATING DEPARTMENT

VICE-PRESIDENT - - - - -	A. D. MAC TIER - - -	MONTREAL.
GENERAL MANAGER - - - - -	J. J. SCULLY - - - -	do
GEN. SUPT. NEW BRUNSWICK DISTRICT - - - - -	J. M. WOODMAN - - - -	SAINT JOHN.
GEN. SUPT. QUEBEC DISTRICT - - - - -	J. K. SAVAGE - - - -	MONTREAL.
GEN. SUPT. ONTARIO DISTRICT - - - - -	H. C. GROUT - - - -	TORONTO.
GEN. SUPT. ALGOMA DISTRICT - - - - -	THOMAS HAMBLEY - - -	NORTH BAY.

*Western Lines:*

VICE-PRESIDENT - - - - -	D. C. COLEMAN - - - -	WINNIPEG.
GENERAL MANAGER - - - - -	W. M. NEAL - - - -	do
ASST. TO THE VICE-PRESIDENT - - - - -	C. E. STOCKDILL - - -	do
GEN. SUPT. MANITOBA DISTRICT - - - - -	E. D. COTTERELL - - -	do
GEN. SUPT. SASKATCHEWAN DISTRICT - - - - -	W. A. MATHER - - - -	MOOSE JAW.
GEN. SUPT. ALBERTA DISTRICT - - - - -	A. HALKETT - - - -	CALGARY.
GEN. SUPT. BRITISH COLUMBIA DISTRICT - - - - -	C. A. COTTERELL - - -	VANCOUVER
CHIEF ENGINEER - - - - -	J. M. R. FAIRBAIRN - - -	MONTREAL.
CHIEF OF MOTIVE POWER AND ROLLING STOCK MANAGER, DEPARTMENT OF PERSONNEL - - - - -	H. B. BOWEN - - - -	do
GENERAL SUPT. OF TRANSPORTATION - - - - -	GEORGE HODGE - - - -	do
MANAGER OF SLEEPING AND DINING CARS - - - - -	A. HATTON - - - -	do
GENERAL MGR. OF COMMUNICATIONS DEPT. - - - - -	W. A. COOPER - - - -	do
CHIEF COMM. OF IMMIGRATION AND COL. - - - - -	W. D. NEIL - - - -	do
DIRECTOR OF DEPARTMENT OF DEVELOPMENT	J. N. K. MACALISTER - - -	do
MANAGER, DEPT. OF NATURAL RESOURCES - - - - -	G. G. OMMANNEY - - -	do
	S. G. PORTER - - - -	CALGARY.
EUROPEAN GENERAL MANAGER - - - - -	SIR GEORGE MCL. BROWN, K.B.E., 62 to 65 Charing Cross, LONDON, ENG.	
DEPUTY SECRETARY - - - - -	R. D. MORRISON, 8 Waterloo Place - -	do
REGISTRAR OF TRANSFERS - - - - -	E. F. TREMAYNE, 8 Waterloo Place - -	do

NEW YORK TRANSFER AGENTS, Agents, Bank of Montreal, 64 Wall Street, - NEW YORK.  
MONTREAL TRANSFER AGENTS, The Royal Trust Company, - - - - - MONTREAL.

# CANADIAN PACIFIC RAILWAY COMPANY

## FIFTY-FIRST ANNUAL REPORT

OF THE

DIRECTORS OF THE CANADIAN PACIFIC RAILWAY COMPANY.

YEAR ENDED DECEMBER 31, 1931.

*To the Shareholders:*

The accounts of the Company for the year ended December 31, 1931, show the following results:—

Gross Earnings.....		\$ 142,337,648.25
Working Expenses (including all taxes).....		116,654,776.02
Net Earnings.....		\$ 25,682,872.23
Special Income.....		10,951,963.74
		<u>\$ 36,634,835.97</u>
Deduct Fixed Charges.....		22,050,364.05
Surplus.....		\$ 14,584,471.92
Contribution to Pension Fund.....		750,000.00
		<u>\$ 13,834,471.92</u>
From this there has been charged a half-yearly dividend on Preference Stock of 2 per cent., paid October 1, 1931.....	\$ 2,665,558.60	
And there has been declared a second half-yearly dividend on Preference Stock of 2 per cent., payable April 1, 1932.....	2,745,138.42	
		<u>5,410,697.02</u>
		\$ 8,423,774.90
There has been charged three quarterly dividends on Ordinary Stock of 1¼ per cent. each, paid June 30, 1931, October 1, 1931, and December 31, 1931.....	12,562,500.00	
And there has been declared from surplus, a further quarterly dividend on Ordinary Stock of 1¼ per cent., payable April 1, 1932.....	4,187,500.00	
		<u>16,750,000.00</u>
Leaving a Balance chargeable to Surplus.....		<u>\$ 8,326,225.10</u>

## SPECIAL INCOME FOR YEAR ENDED DECEMBER 31, 1931

Net Revenue from Investments and Available Resources, Exhibit "C".....	\$ 3,191,588.87
Interest on Deposits, and Interest and Dividends on Other Securities, and results of Separately Operated Properties.....	5,648,600.03
Net Earnings Ocean and Coastal Steamship Lines.....	487,516.45
Net Earnings Commercial Telegraph and News Departments, Hotels, Rentals and Miscellaneous.....	1,624,258.39
	<hr/>
	\$ 10,951,963.74



## EARNINGS AND EXPENSES

The working expenses for the year, including all taxes, amounted to 81.96 per cent. of the gross earnings, and the net earnings to 18.04 per cent., as compared with 78.81 per cent. and 21.19 per cent. respectively in 1930. Excluding taxes, the ratio of working expenses to gross earnings was 79.17 per cent. and in 1930 76.50 per cent.

The gross earnings from railway operations for the year were less by \$40,224,151, freight earnings decreasing \$24,427,239, passenger earnings \$8,428,121, and miscellaneous earnings \$7,368,791.

Working expenses were decreased by \$27,219,350, resulting in net earnings of \$25,682,872, or a decrease from the previous year of \$13,004,801.

For the purpose of the above comparisons the figures of 1930 have been re-stated to include the operations of the subsidiary lines taken into the Company's railway accounts during 1931.

The reduction in gross earnings is accounted for by decreased movement in all branches of traffic. No enterprises have been hit harder by the world-wide depression than the Railway and Express Companies of Canada and the United States.

Your subsidiary, the Canadian Pacific Express Company, was not able to pay in full the revenues guaranteed to your Company under the terms of its contract for express privileges. In consequence, the amount by which the payments made to your Company during the year fell short of that guaranteed has been deducted from the earnings as reported periodically throughout the year. A new contract has been concluded since the close of the fiscal year whereby your Company receives the total net earnings of the Express Company derived from its operations on the railway.

Prior to 1930, it was the Company's practice when equipment was retired to charge to expenses the current cost of the new unit without regard to any increase of capacity over that of the unit retired. Beginning with that year, this practice was changed and the cost of the worn-out or destroyed unit has been retired from investment and charged to expenses. Due to the substantial decrease in the volume of traffic during the past two years, every effort was made to secure maximum use of the larger and more economical locomotives and cars. Maintenance and transportation expenses were benefited thereby. The lesser use made of the older equipment of smaller capacity had the effect of reducing the

number of such units retired during 1931, thereby reducing the expenses for the year.

During the year the Company continued to aid the unemployment situation by anticipating renewals. The expense in connection therewith will be charged into the Company's income accounts at the time the work would ordinarily have been performed.

#### SEPARATELY OPERATED RAILWAYS

For many years accounts in connection with certain subsidiary railway companies whose lines are leased to your Company and whose earnings might, therefore, have been merged with the railway earnings of your Company, have been kept separate. It has been decided to change this practice. Effective January 1, 1931, the operations of the Kettle Valley Railway Company were consolidated with those of your Company, and at July 1, 1931, the operations of the Algoma Eastern Railway, The Fredericton & Grand Lake Coal and Railway and the New Brunswick Coal and Railway were also included. Commencing January 1, 1932, the operating accounts of all other subsidiary steam railway companies whose lines are leased to your Company will be incorporated with the railway operating accounts of your Company. The operating results of the electric lines—the Grand River Railway and the Lake Erie & Northern Railway—will be carried into Special Income.

The Esquimalt and Nanaimo Railway Company over a period of years accumulated surplus earnings of \$1,040,167, which sum was credited to Special Income in 1930. Operating deficits of other separately operated railways for 1930, amounting to \$698,880, were debited to Special Income, leaving a net credit to Special Income from these sources in 1930 of \$341,287. The amounts debited in that year included \$513,952, representing this Company's one-half share of the deficit on Northern Alberta Railways, in which your Company is equally interested with Canadian National Railways.

The Kettle Valley Railway Company at the date of the consolidation of its operations with those of your Company had accumulated surplus earnings amounting to \$1,823,010, which has been credited to Special Income in 1931. An excess of deficits over surpluses from other separately operated railway companies for 1931, amounting to \$869,845, has been debited to Special Income, leaving a net credit from these sources in the Special



Income of 1931 of \$953,165. The deficits referred to include \$571,177, representing one-half the deficit for 1931 on Northern Alberta Railways.

#### ECONOMIES

The drastic reduction of \$27,219,350 in the working expenses for the year, following upon a reduction of \$23,934,266 effected in 1930 (a total reduction from 1929 of \$51,153,616), indicates the efforts of the management to offset so far as possible the acute decrease in gross earnings.

Subject to the obligation of providing the public with adequate service, and to the duty of maintaining the property in sound operating condition, no opportunity of curtailing outlay has been neglected. Passenger train service has been reduced to the extent of 3,258,609 train miles per annum, and the trains continued have been operated with fewer coaches. Five operating divisions have been eliminated by consolidating offices and staffs and a number of stations have been closed. The number of locomotives in service has been reduced with a saving in terminal and other expenses through the extension of locomotive runs in various districts. The lessened service required of equipment has enabled it to be maintained with less repair work, and the main shops were closed at intervals during the year. The restriction of activity in all branches of operations has in turn affected the purchases of material, the total expenditures for stores and supplies of all kinds showing a reduction from 1930 of over 42 per cent.

Early in the year your Directors determined upon a ten per cent. reduction in the salaries and wages of all officers and employees. At the date of this report the reduction has been applied to the majority of the payrolls, and steps have been taken to apply it to the remainder at an early date.

On the basis of payroll figures for the year 1931 it is estimated that the reductions in compensation made, and to be made, represent approximately \$9,000,000 per annum.

Your Directors cannot conclude this portion of the report without paying unstinted praise to the spirit and loyalty of the officers and men of the Company during an exceedingly trying year. Efficient service by all employees of every rank is rendered as a matter of course, but the past year has given impressive evidence of the devotion of the officers and men to the Company's interests. Your Directors desire to express their sincere and grateful appreciation.

## DIVIDENDS

It will be observed that the payment for the full year of a dividend of five per cent. on the Ordinary Capital Stock, has necessitated encroachment on the Company's surplus reserve, the earnings within the year not having been sufficient to provide the amount required for this purpose.

It has been the practice of the Company for many years to pay dividends on its Ordinary Capital Stock in New York funds, but, in view of the cost of providing such funds at the present rate of exchange, the quarterly dividend payable on April 1, 1932, has been declared payable in Canadian funds.

In view of the difficulty under present conditions of making a reliable forecast of the results of the Company's operations in the immediate future, your Directors have deemed it wise to revert to the practice of considering dividends on its Ordinary Capital Stock half-yearly instead of quarterly. The question of dividend on the Ordinary Stock will, therefore, not be considered by the Board until its August meeting, at which time the actual earnings for the first half of 1932 will be known, and an estimate can safely be made of the Canadian grain crop.

## LAND SALES

The sales of agricultural lands for the year were 87,687 acres for \$1,254,100.95, being an average of \$14.30 per acre. Included in this area were 7,798 acres of irrigated land which brought \$42.25 per acre, so that the average for the balance was \$11.57 per acre.

## CONCESSIONS TO LAND CONTRACT HOLDERS

Your Directors having decided that the economic conditions presently prevailing among the Company's land contract holders warrant, if they do not imperatively require, the writing off of some measure of their obligations in order to keep them on the land and to induce fulfilment of their contracts, have authorized the extension of relief to all purchasers from the Company under existing land contracts in accordance with the following conditions:

1. The Company voluntarily to remit one year's interest on the total amount owing under the terms of the land contract (excluding taxes paid, if any).
2. The Company to remit a second full year's interest provided:
  - (a) The purchaser has first paid the equivalent of one year's taxes.



- (b) The purchaser delivers to the Company a one-third share of crop under crop agreement acceptable to the Company; or pays in cash the equivalent of one full annual instalment under the land contract.
3. The Company to give an additional credit on arrears of interest of one dollar for each dollar paid in cash or by delivery of crop, this credit to extend only to extinguishing arrears of interest.
  4. These provisions to apply to all payments made by contract holders either in cash or by delivery of crop, between January 1 and December 31, 1932.

#### ISSUANCE OF SECURITIES

During the year the Company issued £1,625,000 Four Per Cent. Preference Stock. In view of the unsettled financial conditions existing during the later months of last year your Directors considered it undesirable to make any further issue of the Company's securities at that time, and arrangements were made to provide funds necessary for the Company's undertakings by issuing Short Term Notes to the extent of \$25,000,000 at favourable rates of interest.

#### HOTELS

The operation of the Company's hotels resulted in a decrease in earnings of \$372,337 under those of the previous year due principally to the falling off in both commercial and tourist business which was general over the North American continent; indeed, at no time since your Company established hotels as auxiliary to its railway and to stimulate tourist and convention travel, has the hotel business been at such a low ebb. The net earnings of the Royal York Hotel were, however, well maintained, amounting to \$477,091, or only \$18,245 less than 1930.

Your Directors have given consideration to the advisability of closing the Place Viger Hotel in Montreal, erected in 1897 and enlarged and modernized in 1912. Its revenues have been unsatisfactory for some years mainly in consequence of the erection of large and modern hotels in the centre of the city. A final decision as to the action to be taken will not be made until the autumn, so that the benefit of the summer traffic will not be lost.

The operations of the Lord Nelson Hotel at Halifax, in which your Company has a substantial stock interest, have been affected

by the general subnormal commercial conditions and the existence of surplus hotel accommodation in that city, provided since the Lord Nelson Hotel was built. An agreement has been entered into with the bondholders of the Lord Nelson Hotel whereby the interest on the bonds has been guaranteed by your Company in consideration of the bondholders reducing the interest from 6½% to 4% and postponing the sinking fund instalments to November 1, 1933.

#### CANADIAN PACIFIC STEAMSHIPS, LIMITED

The operating results of your combined Atlantic and Pacific fleets for the year have been satisfactory, considering traffic conditions, the Company having in the year received its full share of the business offering.

Due to the reduction in tonnage requirements in consequence of the existing depression, three of the older vessels of the fleet, namely, the "Bolingbroke," the "Bothwell" and the "Metagama," were laid up for the entire season and other ships were withdrawn for temporary periods.

Your Directors are glad to report that the operations of the "Empress of Britain," the newest and largest vessel in your Atlantic service, have been satisfactory, having shown an operating profit on voyages during the regular Atlantic season of \$396,158. This vessel is now on a World's Cruise, with estimated gross revenues of \$1,300,000.

No serious casualties to the vessels of your fleet took place in 1931.

After providing for the distribution of part of the surplus earnings of the Allan Line Steamship Company, to which reference was made in the last Annual Report, there remained to the credit of the Allan Line Deposit Account in Reserve Fund for Contingencies a balance of \$8,363,599, which has now been transferred to Steamship Replacement Reserve. As a result of this transfer fully adequate provision has been made for replacement and no further provision has been made from the year's income account.

#### CANADIAN AUSTRALASIAN LINE

To promote its interest in traffic between Canada and Australia and New Zealand, your Company during the year acquired a half interest in the motorship "Aorangi" and the steamship "Niagara," theretofore operated by the Union Steamship Company of New Zealand between Vancouver, Auckland and Sydney. The price



agreed upon was £500,000, which, by arrangement with the Union Steamship Company, was paid by the delivery of Canadian Pacific Preference Stock to the amount of £625,000 at an agreed price of 80.

For the purpose of carrying out the transaction, the Canadian Australasian Line, Limited, was incorporated in Canada, to which the vessels were transferred by the Union Steamship Company in consideration of the issue of 48,666 shares of the par value of \$100 each, one-half of which were then purchased by your Company in the manner described.

The principal office of the new company is at Vancouver, and its directorate is composed of nominees of the two companies in equal numbers.

#### AGREEMENTS

Your confirmation and approval will be asked of the following agreements made by your Directors during the past year:

1. Agreement dated as of January 1, 1927, between His Majesty the King in right of the Dominion of Canada, of the one part, and your Company, of the other part, whereby your Company has been granted the joint use and enjoyment of the passenger station and passenger facilities of the Crown at Saint John, New Brunswick, on the basis of paying one-half the interest charge on capital account and a wheelage proportion of maintenance and operation expenses.

2. Agreement dated October 21, 1931, between your Company, of the first part, Canadian Pacific Steamships, Limited, of the second part, and Canadian National Railway Company, of the third part, providing for co-operation on the part of the Canadian National Railway Company with your Company and the Steamship Company in the solicitation, booking and carriage of freight, passenger and express traffic on the ships of your Company to and from Canadian Atlantic ports.

#### BRANCH LINES

Construction work was proceeded with on branch lines in Western Canada already authorized by the shareholders; 162.9 miles being graded, 300.8 miles of track laid, and 67.2 miles ballasted on these lines. The greater portion of this mileage was built in accordance with the terms of the agreement with the Government of Canada, to which reference was made in the last Annual Report.

At the close of 1931 we were within sight of the end of a construction programme begun in 1919. Your Directors are not



recommending for approval any new construction during the present year, the only work to be done being to complete lines already partially built. It is not anticipated that any projects of major proportions will require to be undertaken in the near future.

The branch line construction has, to a large extent, been in the more northerly portions of Saskatchewan and Alberta, where the most active development may be expected. These districts, which are more or less wooded, come more slowly into tonnage production than lands to the South, but when cleared are very productive and not subject to periods of drought. In carrying your lines into this territory, your Directors are of the opinion that they have strengthened and stabilized the future earning power of the system. The results obtained so far have been encouraging; the territory served is being brought under cultivation rapidly, and the yield of grain products per acre has been of satisfactory volume.

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

The crop failure of 1931 in the territory served by your subsidiary, the Soo Line, and the severe business depression, resulted in a very poor year for that property. Its losses in traffic were due in particular to a greatly decreased movement of commodities that formerly contributed its heaviest tonnage and largest revenues, such as grain and grain products, lumber and forest products, coal and iron ore.

The territory served by the Soo Line, save the extreme western portion, has enjoyed this year more moisture and a large amount of fall plowing was completed, so that the whole territory is in excellent condition for early seeding.

The increased production of livestock and livestock products from the Soo territory has been very beneficial notwithstanding the lower prices received. Increased diversification has greatly helped the farmer and the business man.

The management has put into effect many permanent economies, the property is well maintained and its officers feel confident that the present year will show better results than in 1931.

During the past year the Company issued, for its capital requirements, \$12,500,000, 5½%, First Refunding Mortgage Bonds to mature July 1, 1978, upon which your Company guaranteed the interest. This guarantee enabled the Company to market the bonds to better advantage and so protect your Company's interest in the property.

The Company being unable to fully provide for the half-yearly interest due January 1, 1932, on its First Consolidated Mortgage Bonds, it became necessary for your Company under its guarantee of such interest to advance an amount of \$1,400,000, which amount was obtained by loan of \$900,000 from the National City Bank of New York, and \$500,000 from the First National Bank, Chicago, on this Company's short term promissory notes.

It is to be remembered that your Company's interest in the Minneapolis, St. Paul and Sault Ste. Marie Railway Company has been a valuable asset, and with the return of normal conditions repayment of any advances made to it may be confidently expected.

#### DULUTH, SOUTH SHORE & ATLANTIC RAILWAY COMPANY

During the year a new ore dock has been constructed at Marquette, Mich., by the South Shore Dock Company, a subsidiary of the Duluth, South Shore & Atlantic Railway Company, to which the dock has been leased at a rental equal to the amount required to meet the principal and interest of \$1,000,000 5% First Mortgage Bonds of the Dock Company as they mature serially over a period of fifteen years. The total cost of the dock was approximately \$1,350,000, and to assist in financing it your Company temporarily advanced to the Duluth, South Shore & Atlantic Company \$350,000, and also guaranteed the payment of the rental.

#### DOMINION AGRICULTURAL CREDIT COMPANY, LIMITED

Your Directors authorized a subscription by the Company of \$500,000 to the capital of the Dominion Agricultural Credit Company, Limited, organized under Dominion Charter with a view to the promotion of diversification of farming in the Prairie Provinces. Ten per cent. of the subscription has been called and paid.

#### CAPITAL EXPENDITURES

In anticipation of your confirmation your Directors authorized capital appropriations, in addition to those approved at the last Annual Meeting, aggregating for the year 1931, \$4,760,833, and ask your approval of expenditures on capital account during the present year of \$4,047,921. Of this amount the principal items are:—

Replacement and enlargement of structures in permanent form . . . . .	\$ 148,327
Additional stations, round houses, freight sheds and shops, and extensions to existing buildings . . . . .	4,306



Tie plates, rail anchors, ballasting, ditching and miscellaneous roadway betterments . . . . .	2,725,829
Replacement of rail in main and branch line tracks with heavier section . . . . .	482,982
Installation of automatic signals . . . . .	42,906
Additional terminal and side track accommodation . . . . .	43,299
Improving coaling and watering facilities . . . . .	16,270
Mechanical Department, machinery at various points . . . . .	27,848
Improvements in connection with telegraph service . . . . .	363,312
British Columbia Coast Steamships . . . . .	22,925

The balance of the amount is required for miscellaneous works to improve facilities and effect economies over the whole system.

#### CONSOLIDATED DEBENTURE STOCK

Your Company's power to issue Consolidated Debenture Stock is limited by the various Acts of Parliament relating to the Company to specified rates per mile in the case of railways and to cost in the case of steamships. The amount so authorized is considerably less than one-half of the property investment of the Company, the greater part having been supplied by the issue of Ordinary and Preference stock and by surplus earnings.

Having regard to present economic conditions and the probable future capital requirements of the Company, the Company is applying to Parliament at the present session for authority to issue from time to time additional Consolidated Debenture Stock, to an amount which, together with the outstanding consolidated debenture stock, bonds, debentures and other obligations, including equipment obligations, secured by mortgage of or charge upon the undertaking of the Company, shall not exceed one-half of the Company's property investment.

#### ROYAL COMMISSION ON TRANSPORTATION

The shareholders of the Company are, no doubt, aware through the public press that the Government of Canada has appointed a Royal Commission to enquire into the whole problem of transportation in Canada, particularly in relation to railways and shipping, and communication facilities therein, having regard to present conditions and the probable future development of the country, and to report their conclusions and make such recommendations as they think proper. The necessity for such an investigation has been generally recognized. The Commission has not yet concluded its labours.

## STOCK HOLDINGS

The holdings of the Ordinary and Preference Stocks of the Company in December, 1931, were distributed as follows:—

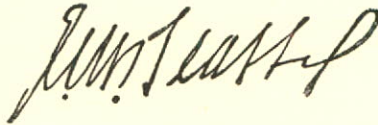
	ORDINARY		PREFERENCE		Percentage of Ordinary and Preference combined
	No. of holders	Percentage of Stock	No. of holders	Percentage of Stock	
Canada.....	35,378	20.04	55	.46	14.36
United Kingdom and other British.	21,773	44.80	26,896	97.12	59.97
United States.....	15,254	29.03	31	.59	20.78
Other Countries...	4,641	6.13	174	1.83	4.89
Total.....	<u>77,046</u>		<u>27,156</u>		

## RETIRING DIRECTORS

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

MR. GRANT HALL  
 Mr. R. S. McLAUGHLIN  
 MR. E. R. PEACOCK  
 MR. W. N. TILLEY, K.C.

For the Directors,



*President.*

MONTREAL, March 14, 1932.

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CANADIAN PACIFIC  
GENERAL BALANCE

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ASSETS

PROPERTY INVESTMENT:

Railway, Rolling Stock Equipment, Lake and River Steamers and Hotels.....	\$868,448,442.64	
Ocean and Coastal Steamships, Exhibit "A"...	116,397,891.30	
Acquired Securities (Cost): Exhibit "B".....	177,154,694.80	
		\$1,162,001,028.74

ADVANCES TO CONTROLLED PROPERTIES.....	9,458,713.74
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INVESTMENTS AND AVAILABLE RESOURCES:

Deferred Payments on Lands and Townsites...	\$ 52,877,075.10	
Provincial and Municipal Securities.....	792,721.29	
Miscellaneous Investments, Exhibit "C," Cost.	32,398,329.24	
Assets in Lands and Properties, Exhibit "D"...	59,216,053.35	
		145,284,178.98

INSURANCE PREMIUMS PAID IN ADVANCE.....	264,832.21
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WORKING ASSETS:

Material and Supplies on Hand.....	\$ 21,482,561.67	
Agents' and Conductors' Balances.....	4,746,078.02	
Net Traffic Balances.....	382,373.72	
Imperial, Dominion and United States Govern- ments, Accounts due for Transportation, etc..	2,795,675.53	
Miscellaneous Accounts Receivable.....	10,496,432.03	
Cash in Hand.....	\$21,876,713.69	
Dominion Government Bonds.	2,100,000.00	
		23,976,713.69
		63,879,834.66

\$ 1,380,888,588.33

RAILWAY COMPANY  
SHEET, DECEMBER 31, 1931.

		LIABILITIES	
CAPITAL STOCK:			
Ordinary Stock.....		\$ 335,000,000.00	
Four Per Cent. Preference Stock.....		137,256,921.12	
			\$ 472,256,921.12
FOUR PER CENT. CONSOLIDATED			
DEBENTURE STOCK.....	\$ 398,911,548.74		
LESS: Collateral as below*.....	107,500,000.00		
			291,411,548.74
TEN YEAR 5% COLLATERAL TRUST GOLD BONDS (1934)*.....			12,000,000.00
TWENTY YEAR 4½% COLLATERAL TRUST GOLD BONDS (1946)*.....			20,000,000.00
TWENTY-FIVE YEAR 5% COLLATERAL TRUST GOLD BONDS (1954)*.....			30,000,000.00
THIRTY YEAR 4½% COLLATERAL TRUST GOLD BONDS (1960)*.....			25,000,000.00
TWENTY YEAR 4½% SINKING FUND SECURED NOTE CERTIFICATES (1944)....	\$ 30,000,000.00		
LESS: Purchased by Trustee and cancelled.....	8,100,600.00		
			21,899,400.00
LESS: Amount held by Trustee...	10.63		
			21,899,389.37
MORTGAGE BONDS:			
Algoma Branch 1st Mortgage 5 per cent.....			3,650,000.00
Lacombe & Blindman Valley Railway 1st Mortgage 5 per cent.....			273,700.00
SHORT TERM NOTES.....			25,000,000.00
EQUIPMENT OBLIGATIONS.....	\$ 50,300,000.00		
LESS: Securities on hand with Trustee.....	4,160,000.00		
			46,140,000.00
CURRENT:			
Audited Vouchers.....		3,828,064.62	
Pay Rolls.....		3,128,423.77	
Miscellaneous Accounts Payable.....		5,893,762.59	
			12,850,250.98
ACCRUED:			
Rentals of Leased Lines and Coupons on Mortgage Bonds.....			1,240,617.72
RESERVES AND APPROPRIATIONS:			
Equipment Replacement.....		8,419,677.75	
Steamship Replacement.....		26,966,439.73	
Reserve Fund for Contingencies and for Contingent Taxes.....		4,553,471.01	
Special Reserve to meet Taxes imposed by Dominion Government.....		1,050,120.99	
			40,989,709.48
PREMIUM ON CAPITAL STOCK SOLD (LESS DISCOUNT ON BONDS AND NOTES).....			67,276,694.80
NET PROCEEDS LANDS AND TOWNSITES.....			72,061,226.36
SURPLUS REVENUE FROM OPERATION.....			127,579,894.45
SURPLUS IN OTHER ASSETS.....			111,258,635.31
			\$ 1,380,888,588.33

E. E. LLOYD,  
Comptroller.

AUDITORS' CERTIFICATE.

We have examined the Books and Records of the Canadian Pacific Railway Company for the year ending December 31, 1931, and having compared the above Balance Sheet therewith, we certify that, in our opinion it is properly drawn up so as to show the true financial position of the Company at that date, and that the statement of Income contained in the Directors' Report is correct.

Montreal, March 11, 1932.

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

## FIXED CHARGES FOR YEAR ENDED DECEMBER 31, 1931.

£ 750,000	Algoma Branch 1st Mortgage Bonds, due July 1, 1937, 5%.....	\$ 182,500.00
£1,330,000	Atlantic & North West. Ry. 1st Mortgage Bonds due January 1, 1937, 5%.....	323,633.34
\$ 273,700	Lacombe & Blindman Valley Ry. 1st Mortgage Bonds, due October 22, 1943, 5%.....	13,685.00
\$ 500,000	Lindsay, Bobcaygeon & Pontypool Ry. 1st Mortgage Bonds, due July 1, 2002, 4%.....	20,000.00
\$2,544,000	Man. S. West. Colzn. Ry. 1st Mortgage Bonds due June 1, 1934, 5%.....	127,200.00
\$ 500,000	New Brunswick Southern Ry. 1st Mortgage Bonds, due January 1, 1933, 3%.....	15,000.00
£4,007,381-15-5	Ontario & Quebec Ry. Debenture Stock 5%.....	975,129.56
\$ 2,000,000	Ontario & Quebec Ry. Common Stock 6%.....	120,000.00
£ 200,000	St. Lawrence & Ottawa Ry. First Mortgage Bonds 4%.....	38,933.34
	Rental, Algoma Eastern Ry .....	55,662.50
	Rental, Calgary & Edmonton Ry.....	218,357.60
	Rental, Dominion Atlantic Ry .....	186,817.52
	Rental, Farnham to Brigham Jct. ....	1,400.00
	Rental, Hamilton Jct. to Toronto .....	87,015.83
	Rental, Joliette & Brandon Ry.....	5,000.00
	Rental, Lachine Canal Branch.....	983.64
	Rental, Mattawankeag to Vanceboro.....	23,800.00
	Rental, New Brunswick Ry. System.....	372,829.74
	Rental, Newport to Wells River.....	246,000.00
	Rental, Quebec Central Ry.....	636,921.08
	Rental, St. Stephen & Milltown Ry.....	2,050.00
	Rental, Terminals at Hamilton.....	64,275.66
	Rental, Toronto, Grey & Bruce Ry .....	140,000.00
	Interest on Equipment Obligations.....	1,943,869.10
		<hr/>
		5,801,063.91

## 4% CONSOLIDATED DEBENTURE STOCK

£ 46,522.921	Interest from January 1, 1931	\$ 9,056,461.96
\$ 65,000,000	Interest from January 1, 1931	2,600,000.00
		<hr/>
		11,656,461.96

## 10 YEAR 5% COLLATERAL TRUST GOLD BONDS

\$ 12,000,000	Interest from January 1, 1931	600,000.00
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## 20 YEAR 4½% COLLATERAL TRUST GOLD BONDS

\$ 20,000,000	Interest from January 1, 1931	900,000.00
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## 25 YEAR 5% COLLATERAL TRUST GOLD BONDS

\$ 30,000,000	Interest from January 1, 1931	1,500,000.00
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## 30 YEAR 4½% COLLATERAL TRUST GOLD BONDS

\$ 25,000,000	Interest from January 1, 1931	1,125,000.00
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\$ 25,000,000	SHORT TERM NOTES	467,838.18
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**\$ 22,050,364.05**



## EXHIBIT "A"

## OCEAN AND COASTAL STEAMSHIPS

Beaverbrae	Motor Princess
Beaverburn	Nanoose
Beaverdale	Nootka
Beaverford	Princess Adelaide
Beaverhill	Princess Alice
Bolingbroke	Princess Charlotte
Bothwell	Princess Elaine
Duchess of Atholl	Princess Elizabeth
Duchess of Bedford	Princess Ena
Duchess of Richmond	Princess Joan
Duchess of York	Princess Kathleen
Empress of Australia	Princess Louise
Empress of Britain	Princess Maquinna
Empress of France	Princess Norah
Melita	Princess Marguerite
Metagama	Princess Mary
Minnedosa	Princess Patricia
Montcalm	Princess Royal
Montclare	Princess Victoria
Montrose	Qualicum
Empress of Asia	Transfer No. 2
Empress of Canada	" 3
Empress of Japan	" 4
Empress of Russia	" 6
Charmer	" 7
Dola	" 8
Kyuquot	Princess Helene

Gross Tonnage..... 467,044

EXHIBIT "B"—ACQUIRED SECURITIES  
SECURITIES OF LEASED LINES.

		Par Value.
ALBERTA CENTRAL RAILWAY.		
†	1st Mortgage Bonds.....	4 % \$ 2,240,000.00
†	Capital Stock.....	50,000.00
ALBERTA RAILWAY & IRRIGATION CO.		
†	1st Mortgage Bonds.....	4 % 4,072,000.00
	Ordinary Stock.....	3,189,500.00
ALGOMA EASTERN RY.		
	1st Mortgage Bonds £33,980.....	5 % 164,980.00
†	Preferred Stock.....	1,000,000.00
†	Common Stock.....	2,000,000.00
ALGOMA EASTERN TERMINALS LTD.		
†	1st Mortgage Bonds.....	5 % 900,000.00
†	Capital Stock.....	100,000.00
ATLANTIC & NORTH WEST RY, EGANVILLE BRANCH:		
	1st Mortgage Bonds.....	5 % 19,466.67
†	1st Mortgage Bonds.....	4 % 302,400.00
†	GUARANTEED STOCK.....	3,240,000.00
†	CAPITAL STOCK.....	178,000.00
BERLIN, WATERLOO, WELLESLEY & LAKE HURON RY.		
†	1st Mortgage Bonds.....	4 % 426,000.00
†	Capital Stock.....	125,000.00
BRITISH COLUMBIA SOUTHERN RY.		
†	1st Mortgage Bonds.....	5 % 1,175,000.00
†	Capital Stock.....	172,200.00
CALGARY & EDMONTON RY.		
†	1st Mortgage Bonds.....	4 % 7,440,000.00
†	Capital Stock.....	1,000,000.00
CAMPBELLFORD, LAKE ONTARIO & WESTERN RY.		
†	1st Mortgage Bonds.....	4 % 11,895,000.00
†	Capital Stock.....	125,000.00
CAP DE LA MADELEINE RY.		
†	Capital Stock.....	30,000.00
COLUMBIA & KOOTENAY RY.		
†	1st Mortgage Bonds.....	4 % 1,277,500.00
†	Capital Stock.....	250,000.00
COLUMBIA & WESTERN RY.		
†	1st Mortgage Bonds.....	5 % 5,691,000.00
†	Capital Stock.....	925,000.00
DOMINION ATLANTIC RY.		
†	Mortgage Bonds.....	4 % 1,700,000.00
	Capital Stock.....	1,101,848.93
	Preferred Stock.....	1,313,122.00
	2nd Debenture Stock.....	924,666.67
†	Extension Debenture Stock.....	1,423,500.00
ESQUIMALT & NANAIMO RY.		
†	1st Mortgage Bonds.....	4 % 7,832,000.00
†	Capital Stock.....	2,500,000.00
FREDERICTON & GRAND LAKE COAL & RY. CO.		
†	Capital Stock.....	140,000.00
GEORGIAN BAY & SEABOARD RY.		
†	1st Mortgage Bonds.....	4 % 4,840,000.00
†	Capital Stock.....	250,000.00
GREAT NORTH WEST CENTRAL RY.		
†	1st Mortgage Bonds.....	5 % 1,375,000.00
†	Capital Stock.....	500,000.00
GUELPH & GODERICH RY.		
†	1st Mortgage Bonds.....	4 % 2,415,000.00
†	Capital Stock.....	125,000.00
<i>Carried forward.....</i>		<hr/> \$ 74,428,184.27



<i>Brought forward</i> .....		\$ 74,428,184.27
INTERPROVINCIAL & JAMES BAY RY.		
†	1st Mortgage Bonds.....	5 % 3,850,000.00
	Capital Stock.....	34,000.00
KASLO & SLOCAN RY.		
†	1st Mortgage Bonds.....	5 % 531,000.00
KETTLE VALLEY RY.		
†	1st Mortgage Bonds.....	4 % 15,210,000.00
	2nd Mortgage Bonds.....	4 % 1,507,000.00
†	Capital Stock.....	375,000.00
KINGSTON & PEMBROKE RY.		
	1st Mortgage Bonds.....	4 % 1,075,000.00
	1st Preferred Stock.....	995,450.00
	2nd Preferred Stock.....	134,900.00
	Ordinary Stock.....	1,998,400.00
KOOTENAY & ARROWHEAD RY.		
†	1st Mortgage Bonds.....	5 % 780,000.00
†	Capital Stock.....	250,000.00
KOOTENAY CENTRAL RY.		
†	1st Mortgage Bonds.....	4 % 5,340,000.00
†	Capital Stock.....	250,000.00
LACOMBE & NORTH WESTERN RY.		
†	1st Mortgage Bonds.....	4 % 3,300,000.00
†	Capital Stock.....	500,000.00
LAKE ERIE & NORTHERN RY.		
†	1st Mortgage Bonds.....	4 % 2,317,500.00
	Common Stock.....	1,378,725.00
LINDSAY, BOBCAYGEON & PONTYPOOL RY.		
†	Capital Stock.....	200,000.00
MANITOBA & NORTH WESTERN RY.		
†	1st Mortgage Bonds.....	6 % 2,628,000.00
†	1st Mortgage Bonds.....	5 % 12,196,000.00
SHELL RIVER BRANCH:		
†	1st Mortgage Bonds.....	5 % 160,600.00
†	DEBENTURE STOCK.....	5 % 613,200.00
†	PREFERRED STOCK.....	5 % 415,000.00
†	Capital Stock.....	5,613,113.63
MANITOBA SOUTH WEST COL. RY.		
	1st Mortgage Bonds.....	5 % 72,000.00
†	Capital Stock.....	700,000.00
MIDLAND RAILROAD OF VERMONT.		
†	Capital Stock.....	10,000.00
MIDLAND SIMCOE RY.		
†	Capital Stock.....	250,000.00
MONTREAL & OTTAWA RY.		
†	1st Mortgage Bonds.....	5 % 1,636,250.00
†	Capital Stock.....	197,000.00
NAKUSP & SLOCAN RY.		
†	1st Mortgage Bonds.....	5 % 1,211,750.00
†	Common Stock.....	300,000.00
NEW BRUNSWICK SOUTHERN RY.		
†	Capital Stock.....	49,000.00
NICOLA, KAMLOOPS & SIMILKAMEEN COAL AND RY.		
†	1st Mortgage Bonds.....	4 % 1,175,000.00
†	Common Stock.....	250,000.00
NORTHERN COLONIZATION RY.		
†	1st Mortgage Bonds.....	4 % 1,118,000.00
†	Capital Stock.....	300,000.00
ONTARIO & QUEBEC RY.		
	Common Stock.....	5,000.00
ORFORD MOUNTAIN RY.		
†	1st Mortgage Bonds.....	4 % 702,000.00
†	Capital Stock.....	501,000.00
<i>Carried forward</i> .....		\$ 144,558,072.90

<i>Brought forward</i> .....		\$ 144,558,072.90
OTTAWA NORTHERN & WESTERN RY.		
† 1st Mortgage Bonds .....	4 %	3,075,000.00
† Capital Stock .....		804,000.00
SASKATCHEWAN & WESTERN RY.		
† 1st Mortgage Bonds .....	5 %	181,040.00
† Common Stock .....		232,500.00
SHUSWAP & OKANAGAN RY.		
† 1st Mortgage Bonds .....	4 %	1,250,000.00
† Common Stock .....		741,000.00
SOUTH ONTARIO PACIFIC RY.		
† 1st Mortgage Bonds .....	4 %	495,000.00
† Common Stock .....		200,000.00
ST. LAWRENCE & OTTAWA RY.		
† Common Stock .....		466,000.00
ST. MARYS & WESTERN ONTARIO RY.		
† 1st Mortgage Bonds .....	4 %	356,500.00
† Capital Stock .....		250,000.00
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 .....		19,000.00
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
MINN. ST. PAUL & SAULT STE. MARIE RY.		
† 1st Cons. Mortgage Bonds .....	4 %	3,993,000.00
MINERAL RANGE RY.		
† 1st Mortgage Bonds .....	4 %	1,254,000.00
MONTREAL & ATLANTIC RY.		
† 1st Mortgage Bonds .....	5 %	1,053,000.00
† Common Stock .....		2,480,000.00
ST. JOHN BRIDGE & RY. EXTENSION Co.		
† 1st Mortgage Bonds .....	5 %	125,000.00
† Common Stock .....		200,000.00
CHATEAU FRONTENAC Co.		
† Common Stock .....		280,000.00
MISCELLANEOUS SECURITIES		
ALBERTA STOCK YARDS Co., LIMITED.		
† Preferred Stock .....		627,500.00
† Common Stock .....		86,000.00
CANADA NORTH WEST LAND COMPANY.		
† Common Stock .....		5,625.00
CANADIAN AIRWAYS LTD.		
† Capital Stock 10,000 Shares .....		No par value
CANADIAN AUSTRALASIAN LINE LTD.		
† Preferred Stock £500,000 .....		2,433,333.33
<i>Carried forward</i> .....		\$ 187,405,071.23

<i>Brought forward</i> .....			\$ 187,405,071.23
CANADIAN PACIFIC CAR & PASSENGER TRANSFER CO. LIMITED Capital Stock.....			200,000.00
LUCERNE-IN-QUEBEC COMMUNITY ASSOCIATION LTD. Stock 10,000 Shares.....			No par value
MIDLAND SIMCOE ELEVATOR CO., LIMITED. Capital Stock.....			392,000.00
NORTHERN ALBERTA RAILWAYS 1st Mortgage Bonds.....	5 %		4,285,000.00
Capital Stock.....			312,500.00
THE ATLANTIC PARK HOSTEL CO., LIMITED. Capital Stock.....		£33,333	162,220.60
THE PUBLIC MARKETS, LIMITED, OF MANITOBA. Stock.....			575,000.00
TORONTO, HAMILTON & BUFFALO RY. Capital Stock.....			1,469,500.00
TORONTO TERMINALS RY. Co. 1st Mortgage Bonds.....	5 %		11,762,300.00
Stock.....			25,000.00
CANADIAN PACIFIC RAILWAY. (Souris Branch). † 1st Mortgage Bonds.....		£400,000	4 % 1,946,666.67
PACIFIC STEAMSHIPS. † First Mortgage.....		£720,000	4 % 3,504,000.00
PACIFIC COAST STEAMSHIPS. † First Mortgage.....		£225,000	5 % 1,095,000.00
			<u>\$ 213,134,258.50</u>

†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, March 11, 1932.

PRICE WATERHOUSE & Co.,  
Chartered Accountants (England)



## EXHIBIT "C"

## MISCELLANEOUS INVESTMENTS.

	Par Value
Coeur d'Alene & Pend d'Oreille Ry. 1st Mortgage Bonds.....	\$ 47,000.00
Consolidated Mining & Smelting Co. Stock, 291,034 shares.....	7,275,850.00
Cambridge Collieries Company, 1st Mortgage Refunding Bonds.....	250,000.00
Canadian Pacific Express Company Stock.....	5,000,000.00
Duluth, South Shore & Atlantic Ry. Ordinary Stock.....	6,100,000.00
"          "          "          " Preferred Stock.....	5,100,000.00
Minneapolis, St. Paul & Sault Ste. Marie Ry. Ordinary Stock.....	12,723,500.00
"          "          "          " Preferred Stock.....	7,000,000.00
Pennsylvania-Ontario Transportation Co. Stock.....	187,500.00
Quebec Salvage & Wrecking Company Stock.....	150,000.00
Spokane International Railway Company Stock.....	3,941,800.00
West Kootenay Power & Light Company Preferred Stock.....	55,000.00
	<u>\$ 47,830,650.00</u>

Cost—\$32,398,329.24

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.

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

Montreal, March 11, 1932.

## EXHIBIT "D"

## ASSETS IN LANDS AND PROPERTIES

COMPANY'S COLLIERIES in Alberta and British Columbia, and Company's interest in other producing coal mines.....			\$ 1,514,598.40
SURPLUS LANDS AND BUILDINGS available for sale in the Provinces of New Brunswick, Quebec, Ontario, Manitoba and British Columbia, representing mainly those purchased in excess of the requirements when securing right of way, station grounds, and shop sites, as being more economical than a resort to condemnation proceedings.....			1,894,193.91
MANITOBA:	Acres		
Agricultural lands.....	175,498	at \$ 7.00	1,228,486.00
SASKATCHEWAN:			
Agricultural lands.....	1,009,507	at \$ 7.00	7,066,549.00
ALBERTA:			
Agricultural lands.....	1,912,066	at \$ 7.00	13,384,462.00
A. R. & I. lands.....	31,644	at \$ 5.00	158,220.00
ALBERTA—Irrigated lands:			
Western Section.....	75,569	at \$30.00	2,267,070.00
Eastern Section.....	323,113	at \$36.00	11,632,068.00
A. R. & I. Section.....	5,161	at \$40.00	206,440.00
Land reserved in Irrigation Block for right of way and operating purposes.....	57,358	at \$13.00	745,654.00
DEMONSTRATION FARMS:			
Strathmore.....			100,000.00
Brooks.....			25,000.00
Farms at Veterans' Colonies.....			100,000.00
TIMBER LANDS AND MILLS:			
Timber and Tie reserve in British Columbia	127,713	at \$ 3.00	383,139.00
A. R. & I. Timber limit in Alberta.....	17,632	at \$ 1.50	26,448.00
Lumber Mills.....			250,000.00
BRITISH COLUMBIA:			
Columbia & Kootenay Lands.....	31,837	at \$ 2.00	63,674.00
Unsold portion of Esquimalt & Nanaimo Land Grant.....	948,344	at \$ 5.00	4,741,720.00
<i>Carried forward</i> .....	4,715,442		\$ 45,787,722.31

## EXHIBIT "D"—Continued

	Acres	
<i>Brought forward</i> .....	4,715,442	\$ 45,787,722.31
<b>UNSOLD LANDS IN TOWNSITES:</b>		
Subdivided sites in Manitoba, Saskatchewan and Alberta.....		4,500,000.00
Unsubdivided land adjoining Town Plots in Manitoba, Saskatchewan and Alberta	51,621	2,009,750.00
Unsold lots in British Columbia, including Vancouver.....		3,313,116.52
Unsubdivided land adjoining Townsites in British Columbia, including Vancouver		2,750,000.00
<b>COAL LANDS:</b>		
3,000,000 acres of coal right reserved under land sold and unsold in Alberta, to be developed on a royalty basis. (Revenue from area under lease to Dec. 31, 1931, \$ 368,762.80) .....		1.00
35,413 acres of coal land in Saskatchewan, Alberta and British Columbia. ....	at \$ 10.00	354,130.00
Iron property in British Columbia .....		25,000.00
<b>NATURAL GAS:</b>		
Rights reserved in 100,000 acres of land sold and unsold in Alberta. (Revenue from area under lease to Dec. 31, 1931, \$ 348,495.85).....		1.00
<b>PETROLEUM RIGHTS:</b>		
Rights reserved in 445,000 acres of land sold and unsold in Alberta, to be developed on a royalty basis. (Revenue from area under lease to Dec. 31, 1931, \$ 616,894.08) .....		1.00
<b>IMPROVED FARMS:</b>		
Buildings and improvements on improved (ready made) farms Manitoba, Saskatchewan, Alberta, and British Columbia; investment being repaid with land instalments with interest at 6%.....		453,845.37
<b>LIVE STOCK:</b>		
Live Stock (horses, cattle, sheep and swine) advanced to farmers having land contracts with Company, on security lien notes.....		22,486.15
<b>Total</b> .....	<u>4,767,063</u>	<u>\$ 59,216,053.35</u>



## EXHIBIT "E"

## CONSTRUCTION—BRANCH LINES

Acme North West Branch.....	\$	3,247.55
Archive-Wymark Branch.....		472.08
Asquith-Cloan Branch.....		38,874.18
Bassano East Branch.....		2.00
Bromhead West Branch..... Cr.		1,380.77
Cassils South Branch.....		120.25
Crossfield North West Branch.....		97,799.63
Cutknife-Whitford Lake Branch.....		1,616.10
Dunelm South West Branch.....		337,738.63
Hamlin-Shellbrook Branch.....		647,190.33
Hatton North East Branch.....		4.84
Kootenay Landing-Procter Branch.....		66,926.97
Langdon North Branch.....		91,260.28
Lanigan North East Branch.....		168.65
Lanigan-Prince Albert Branch..... Cr.		41,076.54
Leader South East Branch..... Cr.		24.41
Lloydminster North East Branch.....		815.78
Medstead North East Branch.....		829,931.64
Moose Jaw South West Branch.....		4,432.89
North Battleford Terminals.....		2,478.17
Pashley North East Branch.....		5.80
Prince Albert Terminals.....		5,933.52
Prince Albert-Lac la Biche Branch.....		1,760,575.76
Rockglen West Branch.....		282,759.96
Rosemary North Branch.....		14,134.88
Rosetown North Branch.....		2,193.68
Rosetown South East Branch.....		507,298.78
Suffield-Blackie Branch.....		914.05
Swift Current North West Branch.....		94,796.24
Swift Current South East Branch.....		404,636.90
Unwin West Branch.....		5,319.51
Weyburn Branch.....		22.72
Wolfe's Cove Branch.....		1,014,507.04
Surveys..... Cr.		14,673.30
		<u>\$ 6,159,023.79</u>



## EXPENDITURES:

Dividends on Preference Stock:			
2 per cent. paid April 1, 1931	\$	2,586,971.75	
2 per cent. paid October 1, 1931		2,665,558.60	
			\$ 5,252,530.35
Dividends on Ordinary Stock:			
2½ per cent. paid April 1, 1931	\$	8,375,000.00	
1½ per cent. paid June 30, 1931		4,187,500.00	
1½ per cent. paid October 1, 1931		4,187,500.00	
1½ per cent. paid December 31, 1931		4,187,500.00	
			20,937,500.00
Construction of Branch Lines, Exhibit "E"			6,159,023.79
Additions and Improvements, main line and branches, Exhibit "F"			9,691,246.49
Expenditure on Leased and Acquired Lines, Exhibit "G"			8,121,514.47
Rolling Stock Equipment			6,767,180.94
Shops and Machinery			101,407.40
Lake and River Steamers		Cr.	105,261.26
Ocean and Coastal Steamships:			
Additional Expenditure on Steamships	\$	67,893.62	
Payments on New Ocean Steamships		2,194,836.85	
			2,262,730.47
LAND DEPARTMENT:			
Lands and Townships:			
Proceeds of Sales and Interest		3,061,309.37	
Deferred Payments on previous years' sales		777,731.88	
		3,839,041.25	
Amount remaining in Deferred Payments on the sales of the year		1,326,428.14	
		2,512,613.11	
Less Sales Expenses and Irrigation		2,560,591.59	
			47,978.48
Deposited with Trustee Twenty-year 4½% Sinking Fund Secured Note Certificates, less cost of Note Certificates purchased and cancelled			974,477.80
Par Value of Twenty-year 4½% Sinking Fund Secured Note Certificates, purchased by Trustee and cancelled			418,500.00
Expenditure account Colonization and Development			623,764.11
Payment of Equipment Obligations			5,110,000.00
SECURITIES ACQUIRED:			
Algoma Eastern Ry. 1st Mortgage Bonds	\$	33,083.60	
Algoma Eastern Terminal Co. 1st Mortgage Bonds and Stock		900,700.00	
Canadian Australasian Line Ltd. Preferred Stock		2,433,333.33	
Canadian Pacific Car & Passenger Transfer Co. Ltd. Capital Stock		24,800.00	
Consolidated Mining & Smelting Co. Stock		1,534,240.00	
Kettle Valley Ry. Co. 1st Mortgage Bonds		320,000.00	
Lacombe & North Western Ry. 1st Mortgage Bonds		800,000.00	
Minn. St. Paul & S.S. Marie Ry. Preferred Stock		62,410.47	
Northern Alberta Railways, 1st Mortgage Bonds		1,285,000.00	
Toronto Terminals Ry. Co. 1st Mortgage Bonds		950,000.00	
		8,343,567.40	
Less: Redemption Sault Ste. Marie Bridge Co., 1st Mortgage Bonds	\$67,000.00		
Sale, Toronto, Hamilton & Buffalo Ry., Consol. Mortgage Bonds	900,000.00		
		967,000.00	
			7,376,567.40
Securities acquired, clearing advances in previous years for capital expenditures:—			
Dominion Atlantic Ry. Mortgage Bonds		1,700,000.00	
Esquimalt & Nanaimo Ry. 1st Mortgage Bonds		3,000,000.00	
Kettle Valley Ry. 1st Mortgage Bonds		812,000.00	
			5,512,000.00
Decrease in Current Liabilities, Rentals of Leased Lines and Coupons on Mortgage Bonds and Reserves and Appropriations			5,805,566.16
Increase in Mining and other Properties, Exhibit "D"			6,554.03
			\$ 85,063,280.63
Cash in hand, December 31, 1931	\$	21,876,713.69	
Dominion Government Bonds		2,100,000.00	
			23,976,713.69
			<u>\$109,039,994.32</u>



## EXHIBIT "F"

DETAILS OF EXPENDITURE ON ADDITIONS AND IMPROVEMENTS FROM  
JANUARY 1, TO DECEMBER 31, 1931

## EASTERN LINES:

Additional Sidings, Buildings, Stations and Yards.	\$ 145,249.45	
Permanent Bridges and Improvements of Line...	304,890.35	
		\$ 450,139.80
MONTREAL TERMINALS.....		1,317,608.34
LONGUE POINTE EXTENSION.....		29,839.05
QUEBEC JOINT TERMINALS.....		65,520.86

## WESTERN LINES:

Additional Sidings, Buildings, Stations and Yards.	\$ 887,614.53	
Permanent Bridges and Improvements of Line ...	3,172,671.73	
Fort William Terminals, including Coaling Plant .	22,539.84	
Winnipeg Terminals.....	7,001.38	
Vancouver Terminals.....	626,755.78	
		4,716,583.26
Additions to Office Buildings and Hotels.....		2,361,076.86
Rented and Temporary Sidings.....		35,637.40
Telegraph Extensions and Additions.....		714,840.92
		\$ 9,691,246.49

## EXHIBIT "G"

 DETAILS OF EXPENDITURE ON LEASED AND ACQUIRED LINES  
 FROM JANUARY 1 TO DECEMBER 31, 1931

ALBERTA CENTRAL RAILWAY.....	Cr.	\$	3,583.30
ATLANTIC & NORTH WEST RAILWAY.....			398,576.05
BRITISH COLUMBIA SOUTHERN RAILWAY.....			67,793.14
CALGARY & EDMONTON RAILWAY.....			183,816.80
CAMPBELLFORD, LAKE ONTARIO & WESTERN RY.			41,532.70
COLUMBIA & KOOTENAY RAILWAY.....			3,397.01
COLUMBIA & WESTERN RAILWAY.....			93,318.22
CONNECTICUT & PASSUMPSIC RIVERS RAILROAD..			43,790.98
FREDERICTON & GRAND LAKE COAL & RAILWAY..	Cr.		1,911.06
GEORGIAN BAY & SEABOARD RAILWAY.....			6,925.75
GLENGARRY & STORMONT RAILWAY.....			324.87
GRAND RIVER RAILWAY.....			497.00
GREAT NORTH WEST CENTRAL RAILWAY.....			9,114.99
GUELPH & GODERICH RAILWAY.....			144.77
INTERPROVINCIAL & JAMES BAY RAILWAY.....			17,334.48
KETTLE VALLEY RAILWAY.....			254,147.61
KINGSTON & PEMBROKE RAILWAY.....			12,692.35
KOOTENAY CENTRAL RAILWAY.....	Cr.		220.72
LAKE ERIE & NORTHERN RAILWAY.....	Cr.		2,665.09
MANITOBA & NORTH WESTERN RAILWAY.....			90,143.93
MANITOBA SOUTH WESTERN COLONIZATION RY..			35,692.08
MIDLAND-SIMCOE RAILWAY.....			321.50
MONTREAL & OTTAWA RAILWAY.....			14,882.75
NAKUSP & SLOCAN RAILWAY.....	Cr.		924.11
NEW BRUNSWICK RAILWAY.....	Cr.		48,754.89
NEW BRUNSWICK COAL & RAILWAY.....			7,335.18
NEW BRUNSWICK SOUTHERN RAILWAY.....			3,657.12
NICOLA, KAMLOOPS & SIMILKAMEEN COAL & RY.			17,633.39
NORTHERN COLONIZATION RAILWAY.....			5,779.03
ONTARIO & QUEBEC RAILWAY.....			1,724,996.10
ORFORD MOUNTAIN RAILWAY.....			4,495.87
OTTAWA NORTHERN & WESTERN RAILWAY.....			43,294.90
QUEBEC CENTRAL RAILWAY.....			50,998.04
ST. MAURICE VALLEY RAILWAY.....			95.89
SOUTH ONTARIO PACIFIC RAILWAY.....			1,156.40
WALKERTON & LUCKNOW RAILWAY.....			2,601.51
			<hr/>
			\$3,078,431.24

The following amounts transferred from Advances to Controlled Properties, cover expenditures for Additions and Improvements to Leased Lines made in previous years in excess of proceeds of securities issued by such lines:

FREDERICTON & GRAND LAKE COAL & RAILWAY	14,195.11
GRAND RIVER RAILWAY.....	1,907,277.51
KETTLE VALLEY RAILWAY.....	1,384,372.93
LAKE ERIE & NORTHERN RAILWAY.....	1,276,883.73
NEW BRUNSWICK COAL & RAILWAY.....	353,981.43
QUEBEC CENTRAL RAILWAY.....	106,372.52
	<hr/>
	\$ 8,121,514.47

STATEMENT OF EARNINGS FOR THE YEAR ENDED  
DECEMBER 31, 1931.

From Passengers.....	\$ 19,728,295.90
“ Freight.....	103,444,116.22
“ Mails.....	3,565,385.95
“ Sleeping and Dining Cars, Express and Miscellaneous.....	15,599,850.18
Total.....	<u>\$ 142,337,648.25</u>

STATEMENT OF WORKING EXPENSES FOR THE YEAR ENDED  
DECEMBER 31, 1931.

Transportation Expenses.....	\$ 54,775,068.56
Maintenance of Way and Structures.....	21,161,119.26
Maintenance of Equipment.....	19,660,274.96
Traffic Expenses.....	9,871,592.00
Parlor, Sleeping and Dining Car Expenses.....	3,506,693.60
Expenses of Lake and River Steamers.....	816,543.49
General Expenses (including all taxes).....	7,569,321.79
Transportation for Investment—Cr.....	705,837.64
Total.....	<u>\$ 116,654,776.02</u>



STATEMENT OF CANADIAN PACIFIC RAILWAY PENSION DEPARTMENT  
TO DECEMBER 31, 1931.

Balance to January 1, 1931.....	\$ 1,090,184.14
Amount contributed by Company.....	750,000.00
Amount received as interest, etc.....	113,583.54
	<u>\$1,953,767.68</u>
Payment of Pension Allowances for year.....	1,261,113.11
Balance in Cash and Investments.....	<u>\$ 692,654.57</u>

NUMBER ON PENSION ROLL AT DECEMBER 31, 1931.

Under 60 years of age.....	37
Between 60 and 70 years of age..	915
Over 70 years of age.....	1049
Total.....	<u>2001</u>

STATEMENT OF CANADIAN PACIFIC RAILWAY INSURANCE  
DEPARTMENT TO DECEMBER 31, 1931.

Balance January 1, 1931 .....		\$ 7,086,862.48
Contributions to Fund chargeable to Operating Expenses:—		
Marine .....	\$ 769,026.08	
Fire .....	194,082.55	
		963,108.63
Amount received as Interest.....		392,961.71
		\$ 8,442,932.82
DISBURSEMENTS:		
Losses adjusted—		
Marine .....	\$ 632,062.00	
Fire .....	123,516.74	
		\$ 755,578.74
Re-Insurance, Income Tax, Administration Expenses and Reserve for Losses.....	154,649.62	910,228.36
Balance in Cash and Investments.....		\$ 7,532,704.46

## STATEMENT OF EQUIPMENT AT DECEMBER 31, 1931.

Locomotives.....	2,041
*First and second class Passenger Cars, Baggage Cars and Colonist Sleeping Cars.....	2,073
First class Sleeping, Dining and Café Cars.....	768
Parlor Cars, Official and Paymasters' Cars.....	201
Freight and Cattle Cars (all kinds).....	87,539
Conductors' Vans.....	1,326
Boarding, Tool and Auxiliary Cars and Steam Shovels.....	6,618
*Includes Cars in Line Service as follows:—	

## TORONTO, HAMILTON AND BUFFALO LINE

10 First Class	}	63.96% owned by other lines.
6 Second Class		
6 Baggage and Express		
22 Cars		

## LAKE AND RIVER STEAMERS

## UPPER LAKES

Alberta	Assiniboia
Athabasca	Keewatin
Manitoba	

## BRITISH COLUMBIA LAKE AND RIVER

Bonnington	Kelowna	Naramata
Columbia	Minto	Okanagan
Granthall	Moyie	Rosebery
Hosmer	Nasookin	Sicamous

## HOTELS

The Pines.....	Digby, N.S.	Saskatchewan.....	Regina, Sask.
Cornwallis Inn.....	Kentville, N.S.	Palliser.....	Calgary, Alta.
Lakeside Inn.....	Yarmouth, N.S.	Banff Springs.....	Banff, Alta.
Algonquin.....	St. Andrews, N.B.	Chateau Lake Louise...	Lake Louise, Alta.
McAdam.....	McAdam, N.B.	Emerald Lake.....	Emerald Lake, B.C.
Chateau Frontenac..	Quebec, Que.	Sicamous.....	Sicamous, B.C.
Place Viger.....	Montreal, Que.	Vancouver.....	Vancouver, B.C.
Royal York.....	Toronto, Ont.	Empress.....	Victoria, B.C.
Royal Alexandra...	Winnipeg, Man.		



DESCRIPTION OF FREIGHT FORWARDED  
RAIL AND INLAND WATER LINE OPERATIONS

		YEARS ENDED DECEMBER 31.		
		1929	1930	1931
Flour.....	Barrels	11,607,200	9,047,590	8,986,890
Grain.....	Bushels	276,156,124	226,613,186	204,844,333
Live Stock.....	Head	2,355,882	1,702,566	1,726,870
Lumber.....	Feet	3,083,549,067	2,447,116,666	1,657,470,800
Firewood.....	Cords	249,693	204,028	148,089
Manufactured Articles..	Tons	12,044,004	9,787,869	7,658,486
All other articles.....	Tons	12,250,907	10,959,187	9,171,777

FREIGHT TRAFFIC

	YEARS ENDED DECEMBER 31.		
	1929	1930	1931
Number of tons carried.....	38,221,961	32,103,604	26,269,478
Number of tons carried one mile..	14,768,758,341	12,206,703,236	10,775,837,079
Earnings per ton per mile.....	1.04 cents	1.04 cents	.96 cents

PASSENGER TRAFFIC

	YEARS ENDED DECEMBER 31.		
	1929	1930	1931
Number of passengers carried.....	12,689,027	11,224,110	8,534,784
Number of passengers carried one mile.....	1,209,239,781	984,087,483	712,981,525
Earnings per passenger per mile....	2.73 cents	2.86 cents	2.77 cents

Kettle Valley Railway included from January 1, 1931, and Algoma Eastern Railway, Fredericton and Grand Lake Coal and Railway, and New Brunswick Coal and Railway from July 1, 1931.



## MILEAGE OF ALL THE COMPANY'S LINES

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 Length of Main Line Montreal to Vancouver—2,893.6 miles
 

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NEW BRUNSWICK DISTRICT*New Brunswick Ry. (leased line):*

Vanceboro to Saint John.....	90.3
Fairville to West Saint John.....	3.5
Fredericton Jct. to Fredericton.....	22.2
McAdam to St. Stephen.....	33.9
Watt to St. Andrews.....	27.8
McAdam to Edmundston.....	162.8
Debec to U.S. Boundary.....	5.0
U.S. Boundary to Houlton, Me.....	3.1
Aroostook to U.S. Boundary.....	4.8
U.S. Boundary to Presque Isle, Me.....	29.3
Newburg to Gibson.....	59.1
	<hr/>
	441.8

*Atlantic & North West Ry. (leased line):*

Megantic to U.S. Boundary.....	15.5
U.S. Boundary to Mattawamkeag, Me.....	144.6
	<hr/>
	160.1

*Tobique Valley Ry. (leased line):*

Perth Jct. to Plaster Rock.....	28.0
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*St. Stephen & Milltown Ry. (leased line):*

Milltown Jct. to Milltown.....	4.6
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*New Brunswick Southern Ry. (leased line):*

Shore Line Jct. to Bay Shore Jct.....	80.7
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*Southampton Ry. (leased line):*

Southampton to Otis.....	12.6
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*Fredericton & Grand Lake Coal & Ry. (leased line):*

Gibson to Minto Jct.....	31.1
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*New Brunswick Coal & Ry. (leased line):*

Minto Jct. to Norton.....	59.2
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*Maine Central R.R. (trackage rights):*

Mattawamkeag, Me., to Vanceboro, Me.....	56.7
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Total Mileage New Brunswick District.....

874.8



MILEAGE (*Continued*)QUEBEC DISTRICT

Main Line . . . . .	Montreal (Place Viger St'n) to Chalk River	247.1	
Quebec Section . . . . .	Quebec to St. Martin Jct. . . . .	159.8	
Wolfe's Cove Branch . . . . .	St. Malo to Wolfe's Cove . . . . .	1.5	
Piles " . . . . .	Piles Jct. to Grand Piles . . . . .	27.0	
Joliette " . . . . .	Lanoraie to St. Felix . . . . .	16.7	
Berthier " . . . . .	Berthier to Berthierville . . . . .	2.1	
St. Jerome " . . . . .	St. Therese to Labelle . . . . .	80.2	
St. Lin " . . . . .	St. Lin Jct. to St. Lin . . . . .	15.2	
St. Eustache " . . . . .	St. Therese to St. Eustache . . . . .	6.0	
Brockville " . . . . .	Carleton Place to Brockville . . . . .	45.0	
Buckingham " . . . . .	Buckingham Jct. to Buckingham . . . . .	4.3	
Cap de la Madeleine " . . . . .	Piles Jct. to Cap de la Madeleine . . . . .	2.4	
Hereford " . . . . .	Cookshire to Malvina . . . . .	22.5	
			629.8
<i>Ontario &amp; Quebec Ry. (leased line):</i>			
	Montreal (Windsor Street Station) to Montreal West . . . . .	4.8	
	Mile End to Adirondack Jct. . . . .	9.8	
	St. Luc Jct. to Ballantyne . . . . .	2.1	
	Montreal West to Smiths Falls . . . . .	124.5	
	Highlands to Power (Lasalle Loop) . . . . .	4.6	
			145.8
<i>St. Lawrence &amp; Ottawa Ry. (leased line):</i>			
	Ottawa to Prescott . . . . .	52.3	
	Ellwood to Sussex Street, Ottawa . . . . .	6.8	
			59.1
<i>Montreal &amp; Ottawa Ry. (leased line):</i>			
	Vaudreuil to Canadian National Jct. . . . .	86.9	
	Mando to Point Fortune . . . . .	6.8	
			93.7
<i>Joliette &amp; Brandon Ry. (leased line):</i>			
	St. Felix to St. Gabriel . . . . .		11.1
<i>Northern Colonization Ry. (leased line):</i>			
	Labelle to Mont Laurier . . . . .		58.3
<i>Atlantic &amp; North West Ry. (leased line):</i>			
	Eganville to Payne . . . . .	19.7	
	Adirondack Jct. to Farnham . . . . .	34.3	
	Brookport to Megantic . . . . .	125.6	
			179.6
<i>Ottawa, Northern &amp; Western Ry. (leased line):</i>			
	Hull to Waltham . . . . .	77.9	
	Hull to Maniwaki . . . . .	80.9	
			158.8
<i>Connecticut and Passumpsic Rivers R.R. (leased line):</i>			
	Wells River, Vt. to Newport, Vt. . . . .		63.9
<i>Orford Mountain Ry. (leased line):</i>			
	Eastman to Windsor Mills . . . . .	36.0	
	Eastman to North Troy . . . . .	22.8	
			58.8
<i>St. Maurice Valley Ry. (leased line):</i>			
	Three Rivers to Grand Mere . . . . .		27.3
<i>Glengarry &amp; Stormont Ry. (leased line):</i>			
	Soulanges to Cornwall . . . . .		27.6
<i>Canadian National Rys. (trackage rights):</i>			
	Canadian National Jct. to Ottawa . . . . .		.8
			.8
	Total Mileage Quebec District . . . . .		1,514.6

MILEAGE (*Continued*)ONTARIO DISTRICT

Sudbury Section . . . Bolton to MacTier . . . . .	105.8
<i>Ontario &amp; Quebec Ry. (leased line):</i>	
Smiths Falls to West Toronto . . . . .	210.5
West Toronto to Toronto (Union Station) . . . . .	4.7
West Toronto to St. Thomas . . . . .	116.2
West Toronto to Owen Sound . . . . .	116.8
Leaside to Toronto (Union Station) . . . . .	5.2
Woodstock to London . . . . .	26.6
London to Windsor . . . . .	112.8
Streetsville to Melville . . . . .	31.8
Cataract to Elora . . . . .	27.4
Fraxa to Teeswater . . . . .	67.9
Mt. Forest Tank to Mt. Forest . . . . .	1.2
Wingham Jct. to Wingham . . . . .	4.6
	<hr/>
	725.7
<i>Toronto, Hamilton &amp; Buffalo Ry. (leased line):</i>	
Hamilton Jct. to Hamilton . . . . .	2.7
<i>Lindsay, Bobcaygeon &amp; Pontypool Ry. (leased line):</i>	
Burketon to Bobcaygeon . . . . .	38.8
<i>Guelph Jct. Ry. (leased line):</i>	
Guelph Jct. to Guelph . . . . .	14.9
<i>Tilsonburg, Lake Erie &amp; Pacific Ry. (leased line):</i>	
Ingersoll to Port Burwell . . . . .	33.5
Embro to Ingersoll . . . . .	9.7
	<hr/>
	43.2
<i>Guelph &amp; Goderich Ry. (leased line):</i>	
Guelph to Goderich . . . . .	80.7
Linwood to Listowel . . . . .	16.5
	<hr/>
	97.2
<i>Walkerton &amp; Lucknow Ry. (leased line):</i>	
Walkerton to Saugeen . . . . .	37.8
<i>Georgian Bay &amp; Seaboard Ry. (leased line):</i>	
Port McNicoll to Dranoel . . . . .	88.4
Port McNicoll to McMillan . . . . .	.8
	<hr/>
	89.2
<i>Midland Simcoe Ry. (leased line):</i>	
Midland to Midland Simcoe Elevator . . . . .	1.0
<i>South Ontario Pacific Ry. (leased line):</i>	
Guelph Jct. to Grant . . . . .	16.2
<i>St. Marys &amp; Western Ontario Ry. (leased line):</i>	
Embro to St. Marys . . . . .	15.8
<i>Campbellford, Lake Ontario &amp; Western Ry. (leased line):</i>	
Glen Tay to Agincourt . . . . .	183.5
<i>Kingston &amp; Pembroke Ry. (leased line):</i>	
Kingston to Renfrew . . . . .	103.7
<i>Canadian National Rys. (trackage rights):</i>	
Toronto to Hamilton Jct . . . . .	36.3
McMillan to Midland . . . . .	5.1
	<hr/>
	41.4
Total Mileage Ontario District . . . . .	<hr/>
	<u>1,516.9</u>

MILEAGE (*Continued*)ALGOMA DISTRICT

Main Line.....	Chalk River to Current River..	742.0	
Sudbury Section.....	MacTier to Romford.....	121.7	
Algoma	Branch .. Sudbury to Sault Ste. Marie....	181.3	
Stobie	" .. Sudbury to Copper Mines.....	4.9	
Sudbury Basin	" .. Chelmsford to Bradley.....	5.9	
Lake Timiskaming	" .. Mattawa to Lake Timiskaming..	38.1	
Kipawa	" .. Grimmer to Kipawa.....	9.4	
			1,103.3
<i>Interprovincial &amp; James Bay Ry. (leased line):</i>			
Gendreau to Angliers.....		69.1	
Gaboury to Ville Marie.....		7.6	
			76.7
<i>Algoma Eastern Ry. (leased line):</i>			
Sudbury to Turbine.....		32.9	
McKerrow to Little Current.....		39.6	
			72.5
Total Mileage Algoma District.....			<u>1,252.5</u>

MANITOBA DISTRICT

Main Line.....	Current River to Broadview.....	690.8	
Emerson	Branch .. Whittier to Emerson.....	64.1	
Selkirk	" .. Rugby to Riverton.....	82.6	
"	" .. Selkirk (Station) to Selkirk Town..	1.0	
Stonewall	" .. Rugby to Arborg.....	75.1	
Gretna	" .. Rosenfeld to Gretna.....	14.1	
Pembina	" .. Rugby to Manitou.....	100.4	
"	" .. Rudyard to Kaleida.....	6.4	
Snowflake	" .. Wood Bay to Windygates.....	32.4	
"	" .. Snowflake to Fallison.....	10.1	
Lac du Bonnet	" .. Lac du Bonnet to Whittier.....	65.6	
MacGregor	" .. MacGregor to Varcoe.....	55.2	
Wolseley	" .. Reston to Wolseley.....	122.2	
Pheasant Hills	" .. Kirkella to Neudorf.....	107.1	
"	" .. Virden to McAuley.....	36.1	
Bergen N.E.	" .. Woodman to Norcran.....	14.0	
Plum Coulee	" .. Carman to Plum Coulee.....	26.9	
Souris	" .. Kemnay to Estevan.....	155.6	
"	" .. Glenboro to Souris.....	45.9	
"	" .. Deloraine to Napinka.....	18.6	
"	" .. Schwitzer to Arcola.....	97.8	
"	" .. Deloraine to Lyleton.....	37.5	
"	" .. Lauder to Alida.....	54.7	
"	" .. Sanger to Lauder.....	35.4	
			1,949.6
<i>Manitoba South Western Colonization Ry. (leased line):</i>			
Manitou to Deloraine.....		100.5	
Rugby to Glenboro.....		102.7	
Elm Creek to Carman.....		12.5	
			215.7
<i>Manitoba &amp; North Western Ry. (leased line):</i>			
Portage la Prairie to Bredenburg.....		197.3	
Minnedosa to Gautier.....		18.3	
Binscarth to Inglis.....		23.9	
			239.5
<i>Great North West Central Ry. (leased line):</i>			
Chater to Miniota.....		71.5	
Forrest to Lenore.....		41.5	
			113.0
Total Mileage Manitoba District.....			<u>2,517.8</u>



MILEAGE (*Continued*)SASKATCHEWAN DISTRICT

Main Line.....	Broadview to Swift Current..	244.6
Arcola	Branch.. Arcola to Regina.....	112.1
Portal	" .. North Portal to Pasqua.....	160.7
Moose Jaw	" .. Colwyn to Macklin.....	267.6
Rosetown S. E.	" .. Mackmat to Matador.....	43.2
Bassano Easterly	" .. Milden to McMorrان.....	61.6
Weyburn	" .. Stoughton to Weyburn.....	36.8
Weyburn-Stirling	" .. Exon to Shaunavon.....	229.9
Bulyea	" .. Euston to Bulyea.....	18.5
Colonsay	" .. Crecy to Colonsay.....	132.8
Moose Jaw S.W.	" .. Curle to Assiniboia.....	64.6
" " "	" .. Ogle to Mankota.....	64.8
" " "	" .. Ardwick to Maxstone.....	11.8
Fife Lake	" .. Maxstone to Big Beaver.....	67.8
Archive-Wymark	" .. Hak to Archive.....	102.9
Kerrobert N.E.	" .. Rural to Bush.....	42.8
Swift Current S.E.	" .. Swift Current to Vanguard..	44.7
Wilkie-Anglia	" .. Brass to Kelfield.....	28.5
" " N.W.	" .. Bush to Cutknife.....	28.1
Cutknife-Whitford Lake	" .. Cutknife to Lloydminster..	76.4
Cutknife N.E.	" .. Cutoff to Rosemound.....	3.5
Estevan-Forward	" .. Estevan to Neptune.....	54.5
Bromhead Westerly	" .. Southall to Minton.....	45.1
Pheasant Hills	" .. Neudorf to Rosyth.....	449.8
Lanigan N.E.	" .. Coop to Melfort.....	81.6
" " "	" .. Melfort to Gronlid.....	19.0
Lanigan—Prince Albert	" .. Lanigan to Humboldt.....	25.5
" " "	" .. Humboldt to Northway.....	67.6
Amulet-Dunkirk	" .. Wallace to Cardross.....	45.9
Rosetown	" .. Rosetown to Perdue.....	45.0
Asquith-Cloan	" .. Urban to Baljennie.....	43.9
Aikins Northerly	" .. Baird to Stewart Valley.....	20.4
Lloydminster N.E.	" .. Lloydminster to Hillmond..	24.7
Unwin Westerly	" .. Epping to Paradise Valley...	19.4
		<hr/> 2,786.1
<i>Manitoba &amp; North Western Ry. (leased line):</i>		
Bredenbury to Yorkton.....		25.9
Yorkton to Lanigan.....		125.1
Goudie to Nipawin.....		132.3
Herrick to Wishart.....		27.0
		<hr/> 310.3
<i>Calgary &amp; Edmonton Ry. (leased line):</i>		
Rosyth to Hardisty.....		6.2
<i>Canadian National Rys. (trackage rights):</i>		
In Melfort.....		1.1
In Humboldt.....		1.3
Rosemound to North Battleford.....		43.1
Northway to Prince Albert.....		18.5
		<hr/> 64.0
Total Mileage Saskatchewan District.....		<hr/> <u>3,166.6</u>

MILEAGE (*Continued*)ALBERTA DISTRICT

Main Line.....	Swift Current to Field.....	463.1
Crowsnest Pass Line.....	Dunmore to Lethbridge.....	108.4
“ “.....	Lethbridge to Crowsnest.....	100.9
Langdon North	Branch..Langdon to Knee-hill.....	79.2
“ “	“ ..Rosedale to Bull Pound.....	37.3
“ “	“ ..Eladesor to Jct. with Rosedale Mine Spur.....	2.5
Rosemary Northerly	“ ..Rosemary to Bull Pound.....	25.1
Gem Colony	“ ..Matziwin to Gem.....	11.8
Bassano	“ ..Irricana to Bassano.....	72.2
Cassils Southerly	“ ..Cassils to Scandia.....	23.4
Cutknife-Whitford Lake	“ ..Lloydminster to Willingdon..	105.9
Swift Current N.W.	“ ..Java to Empress.....	111.8
“ “ “	“ ..Willingdon to S. Edmonton..	67.4
“ “ “	“ ..Vegreville to Willingdon.....	24.6
Leader S.E.	“ ..Leader to Schuler.....	50.2
“ “	“ ..Wickett to Verlo.....	25.1
Pashley N.E.	“ ..Pivot to Fox Valley.....	26.9
Suffield-Blackie	“ ..Suffield to Eltham.....	147.0
Bassano East.	“ ..Bassano to Empress.....	118.3
Gleichen	“ ..Gleichen to Shepard.....	41.2
Weyburn-Stirling	“ ..Stirling to Shaunavon.....	206.0
Moose Jaw S.W.	“ ..Notukeu to Val Marie.....	96.9
Kipp-Aldersyde	“ ..Kipp to Aldersyde.....	84.6
Kipp N.E.	“ ..Coalhurst to Turin.....	27.0
Hatton N.E.	“ ..Hatton to Golden Prairie....	17.8
Acme N.W.	“ ..Cosway to Wimborne.....	27.9
		2,102.5
<i>Lacombe &amp; Northwestern Ry. (leased line):</i>		
Jackson to Leduc.....		112.5
<i>Alberta Central Ry. (leased line):</i>		
Forth to Ullin.....		64.7
<i>Calgary &amp; Edmonton Ry. (leased line):</i>		
Calgary to Edmonton.....		193.4
Calgary to Macleod.....		107.3
Wetaskiwin to Hardisty.....		93.8
Lacombe to Kerrobert.....		223.3
		617.8
<i>Alberta Ry. &amp; Irrigation Co. (leased line):</i>		
Lethbridge to Coutts.....		66.2
Stirling to Glenwood.....		74.1
Raley to Whisky Gap.....		21.0
		161.3
<i>Canadian National Rys. (trackage rights):</i>		
Knee-hill to Rosedale.....		6.6
		6.6
Total Mileage Alberta District.....		3,065.4

MILEAGE (*Continued*)BRITISH COLUMBIA DISTRICT

Main Line . . . . .	Field to Vancouver . . . . .	506.0	
New Westminster Branch . . . . .	Westminster Jct. to Westminster . . . . .	9.2	
Mission . . . . .	Mission to Huntingdon . . . . .	10.1	
Arrow Lake . . . . .	Revelstoke to Arrowhead . . . . .	27.9	
Kootenay Landing . . . . .	Kootenay Landing to Procter . . . . .	34.0	
Port Moody Spur . . . . .		3.2	
			590.4
<i>British Columbia Southern Ry. (leased line):</i>			
	Crowsnest to Kootenay Landing . . . . .	182.5	
	Nelson to Procter . . . . .	20.5	
	North Star to end of track . . . . .	19.2	
	Yahk to Kingsgate . . . . .	10.6	
			232.8
<i>Kootenay Central Railway (leased line):</i>			
	Colvalli to Golden . . . . .		166.5
<i>Columbia &amp; Kootenay Ry. (leased line):</i>			
	Nelson to Castlegar Jct. . . . .	25.0	
	South Siccan to Slocan City . . . . .	31.4	
			56.4
<i>Columbia &amp; Western Ry. (leased line):</i>			
	Castlegar to Rossland . . . . .	29.3	
	Rossland to Le Roi . . . . .	1.3	
	Tadanac to Trail . . . . .	1.5	
	Midway to Castlegar Jct. . . . .	102.2	
			134.3
<i>Shuswap &amp; Okanagan Ry. (leased line):</i>			
	Sicamous to Okanagan Landing . . . . .		51.3
<i>Vancouver &amp; Lulu Island Ry. (leased line):</i>			
	Vancouver to Steveston . . . . .	16.9	
	Eburne Extension . . . . .	10.0	
			26.9
<i>Kootenay &amp; Arrowhead Ry. (leased line):</i>			
	Lardeau to Gerrard . . . . .		33.3
<i>Nakusp &amp; Slocan Ry. (leased line):</i>			
	Nakusp to Three Forks . . . . .	36.5	
	Three Forks to Sandon . . . . .	4.1	
	Parapet to Retallack . . . . .	7.6	
			48.2
<i>Kaslo &amp; Slocan Ry. (leased line):</i>			
	Retallack to Kaslo . . . . .		17.9
<i>Nicola, Kamloops &amp; Similkameen Coal &amp; Railway Co. (leased line):</i>			
	Nicola to Spences Bridge Jct . . . . .		47.2
<i>Kettle Valley Railway Co. (leased line):</i>			
	Midway to Penticton . . . . .	135.5	
	South Penticton to Princeton . . . . .	70.0	
	Brookmere to Petain . . . . .	56.6	
	Brodie to Merritt . . . . .	25.3	
	Carson to Archibald . . . . .	22.8	
	Princeton to Copper Mountain . . . . .	14.0	
	South Penticton Jct. to Haynes . . . . .	27.0	
			351.2
<i>Vancouver, Victoria &amp; Eastern Ry. &amp; Navigation Co. (trackage rights):</i>			
	Princeton to Brookmere . . . . .		38.3
<i>Canadian National Rys. (trackage rights):</i>			
	Lumby Jct. to Lumby . . . . .	14.8	
	Vernon to Kelowna . . . . .	33.9	
			48.7
Total Mileage British Columbia District . . . . .			<u>1,843.4</u>



## MILEAGE-SUMMARY

## CANADIAN PACIFIC RAILWAY—

<i>Mileage included in Traffic Returns:</i>		TOTAL
New Brunswick District	.....	874.8
Quebec	“ .....	1,514.6
Ontario	“ .....	1,516.9
Algoma	“ .....	1,252.5
Manitoba	“ .....	2,517.8
Saskatchewan	“ .....	3,166.6
Alberta	“ .....	3,065.4
British Columbia	“ .....	1,843.4
Total	.....	15,752.0

*Mileage of Lines under Construction:*

Medstead N.E. Branch	.....	36.0
Hamlin-Shellbrook“ .. Hamlin to Ravenhead..	.....	26.6
Rosetown S.E. “ .. Rosetown to Gunnworth.	.....	17.5
Fife Lake Westerly“ .. Rockglen to Killdeer....	.....	25.0
Swift Current S.E. “ .. Vanguard to Meyronne..	.....	31.5
Dunelm S.W. “ .. Dunelm to Maeshowe... ..	.....	25.2
Lac la Biche “ .. Debden to Meadow Lake	.....	94.4
M. & N.W. Ry. “ .. Nipawin to Henribourg..	.....	72.9
Total Saskatchewan District	.....	329.1
Swift Current N.W. Branch Harmon to Berkinshaw	.....	28.7
“ “ “ .. Coronation-Youngston..	.....	39.6
Crossfield N.W. “ .. Crossfield to Cremona...	.....	28.0
Total Alberta District	.....	96.3
Total	.....	425.4
Total	.....	16,177.4

## CONTROLLED LINES AND SEPARATELY OPERATED SUBSIDIARIES—

*Canada:*

Dominion Atlantic Ry.	.....	304.5
Esquimalt & Nanaimo Ry	.....	211.0
Grand River Ry	.....	18.6
Lake Erie & Northern Ry	.....	51.0
Montreal & Atlantic Ry	.....	184.6
Quebec Central Ry	.....	364.8
	.....	1,134.5

*United States:*

Duluth, South Shore & Atlantic Ry	.....	586.1
Mineral Range R.R.	.....	61.7
Minneapolis, St. Paul & Sault Ste. Marie Ry	.....	4,349.0
Spokane International Railway	.....	163.6
	.....	5,160.4
	.....	6,294.9
	.....	22,472.3







