

NATIONAL TRANSCONTINENTAL RAILWAY (not incorporated)

(an element of "Canadian Government Railways" owned by Canada and entrusted to Canadian National Railway Company" for management and operation from January 20, 1923.)

HISTORY:

Under Dominion Act 3 Edward VII Chapter 71, October 24, 1903, provision was made for construction of a "National Transcontinental Railway" wholly within Canada, (from Moncton to Winnipeg, referred to as the Eastern Division, and from Winnipeg to the Pacific Ocean, referred to as the Western Division) which was considered necessary by reason of the growth in population and the rapid development in the productiveness and trade of Canada, especially in the Western part thereof, and with a view to the opening up of new territory available for settlement both in the Eastern Provinces and in the West. The Eastern Division was to be constructed by the Dominion Government, and under the charge of three commissioners forming a corporate body under the name "The Commissioners of the Transcontinental Railway".

Under the terms of agreement dated July 29, 1903, between the Minister of Railways and Canals and Sir Charles Rivers-Wilson acting on behalf of "The Grand Trunk Pacific Railway Company, then about to be incorporated, as modified by agreement dated February 18, 1904, confirmed by Dominion Act, 4 Edward VII, Chapter 24, July 18, 1904, The Grand Trunk Pacific Railway Company constructed the Western Division at its own cost and agreed to lease the Eastern Division for a period of 50 years from the date of its completion at an annual rental of 3% of the cost of construction subject to certain modifications during the first seven years. The Company was to provide at its own cost sufficient rolling stock for the efficient operation of both Divisions, of which not less than \$5,000,000 worth would be supplied for operation of the Eastern Division, and to operate the entire line.

Under Dominion Order in Council P.C. 1642, August 20, 1904, F. B. Wade, Robert Reid, A. Brunet and C. Young were appointed commissioners to construct the Eastern Division, and Hugh Lumsden was appointed as Chief Engineer of Construction.

Under Order-In-Council 169 dated January 29, 1912. Mr. F. P. Gutelius and George Lynch-Staunton were appointed a Commission to investigate matters concerning the construction of the National Transcontinental Railway.

Under Dominion Act, 2 George V, Chapter 39, March 12, 1912 construction of the Eastern Division, and its operation, until completed and leased to the Grand Trunk Pacific Railway, was placed under the charge and control of one Commissioner (instead of four) to be appointed by the Governor-in-Council, and to hold office during pleasure. The Commissioners (personnel of which had been changed from time to time by death, etc.) resigned.

Under Dominion Order in Council P.C. 807, April 4, 1912, R. W. Leonard, C.E., Chairman of the Commission in existence up to that time, was appointed Commissioner.

Construction of the Eastern Division, Moncton to Winnipeg was under way until completion (with the exception of The Quebec Bridge) the last spike being driven on November 17, 1913. The Grand Trunk Pacific Railway Company was duly notified that the line was ready to be turned over to it under lease. The cost of construction was so much in excess of the estimated figures, and The Grand Trunk Pacific Railway Company was, itself, in financial difficulties, so that it was unable at the time to implement the lease agreement of July 29, 1903.

The railway was completed and opened for traffic as follows:

| | | | |
|-------------|---------------------|----------------|--------------|
| Moncton Wye | to Escourt | 285.25 miles | May 1, 1913 |
| Escourt | to Diamond Junction | 169.90 miles | July 1, 1914 |
| Quebec City | to Winnipeg | 1,349.59 miles | June 1, 1915 |

| | | | |
|----------------|--------------------|-----------------------|-------------------|
| Allenby | to Cadorna | .74 miles | September 1, 1915 |
| Mile 1.41 | to Bridge Junction | 2.08 miles | December 3, 1917 |
| Longlac | to Nakina | 30.22 miles | December 19, 1923 |
| Domburg | to Donnacona | 5.32 miles | December 7, 1924 |
| Taschereau | to Mile | <u>1.07</u> miles | January 1, 1928 |
| Total - | | 1,844.17 miles | |

On February 11, 1914 George Lynch-Staunton and F. P. Gutelius submitted their report of the Royal Commission appointed to investigate the construction of the National Transcontinental Railway to Honourable Grant Cochrane, P.C., Minister of Railways and Canals and the Governor General the Duke of Connaught.

In the circumstances, Dominion Act 4 - 5 George V, Chapter 43, June 12, 1914, enacted that after completion of the Eastern Division (Moncton to Winnipeg) and until it is leased to The Grand Trunk Pacific Railway Company, the Eastern Division shall be under the control and management of the Minister of Railways and Canals who shall have power to operate the whole or any part of the Division as a Government railway. Dominion Act 4 - 5 George V, Chapter 1, April 3, 1914 provided funds for operation from Moncton to Levis.

Dominion Order in Council P.C. 1739, July 3, 1914 accepted the resignation of R. W. Leonard and appointed the Minister of Railways and Canals as Commissioner of National Transcontinental Railway.

During the year 1913-14 the road was operated to a limited extent by The Intercolonial Railway for the distance of 285.25 miles between Moncton, N.B. and Excourt, Quebec, which is 54.85 miles west of Edmundston, N.B. In the fiscal year 1914-15 The Intercolonial Railway operated the line from Moncton, N.B. to Chaudiere, Quebec, a distance of 455.15 miles.

On May 1, 1915 the line from Quebec to Winnipeg, a distance of about 1356 miles, was taken over for operation as part of Canadian Government Railways, and was put into operation as such effective June 1, 1915.

Under Agreement dated July 29, 1915, between The Grand Trunk Pacific Railway Company and the Crown, authorized by Dominion Act, 5 George V, Chapter 18, 1915 and Dominion Order in Council P.C. 1575 July 2, 1915, the Lake Superior Branch extending from Lake Superior Junction to Fort William, including terminal facilities, a total of about 188.27 miles, which was built by The Grand Trunk Pacific Railway Company, was leased to the Crown for 999 years from May 1, 1915 at an annual rental of \$600,000. The line is properly a branch of the Eastern Division, and it was with this in mind that the Government leased the property to complete the National Transcontinental Railway.

Under Dominion Order in Council P.C. 115 dated January 20, 1923, authorized by Dominion Chapter 13, 1919, National Transcontinental Railway was entrusted to Canadian National Railway Company for management and operation.

PROPERTY INVESTMENT:

| | |
|--------------------------|----------------|
| As at December 31, 1960: | |
| Road | \$211,034,894. |

LOCATION:

| | | |
|---------------------------|-----------------------------|--------------|
| As of December 31, 1960: | | <u>Miles</u> |
| Moncton | - Diamond Junction | 455.15 |
| Joffe | - Quebec Bridge (North End) | 3.10 |
| Quebec Bridge (North End) | - Junction near Bridge | 0.44 |

| | | |
|----------------------------|-------------------|----------------|
| Quebec (Champlain Station) | - Dombourg | 24.16 |
| St. Marc | - Winnipeg | 1303.06 |
| Longlac | - Nakina | 30.22 |
| Dombourg | - St. Marc | 5.32 |
| Taschereau | - Mile 1.07 | 1.07 |
| Allanby | - Cadorna | 0.74 |
| Adjustment | | - 1.24 |
| Total | | 1822.02 |
| <u>Abandoned:</u> | | |
| Dombourg | - St. Marc (1938) | 22.15 |

THE NEW BRUNSWICK AND PRINCE EDWARD ISLAND RAILWAY COMPANY

(property included in "Canadian Government Railways" from August 1, 1914)

- INCORPORATED:** April 8, 1874 - New Brunswick Act, 37 Victoria, Chapter 65.
March 20, 1889 - Dominion Act, 52 Victoria, Chapter 85, name changed (see History).
- DECLARATORY:** Declared to be a work for the general advantage of Canada - Dominion Act, 52 Victoria Chapter 85, March 20, 1889.
- HISTORY:** Under New Brunswick Act, 37 Victoria, Chapter 65, April 8, 1874, "New Brunswick and Prince Edward Railway Company" was incorporated to build from the Intercolonial Railway to Cape Tormentine, etc.
- Construction of the line from Sackville to Cape Tormentine Station, a distance of 36.19 miles, was completed and opened for traffic on December 1, 1886. The trackage between the Station and the Ferry Dock was built by the Dominion Government in connection with the Prince Edward Island Ferry Terminals. Work was commenced about 1913 and completed about 1918-1919.
- Under Dominion Act, 52 Victoria, Chapter 85, March 20, 1889, the name was changed to "The New Brunswick and Prince Edward Island Railway Company."
- Dominion Order in Council P.C. 2162, August 27, 1914, approved purchase of The New Brunswick and Prince Edward Island Railway for the Government Railways system as a connection with the ferry to Prince Edward Island.
- Agreement dated March 8, 1915, between the Company and the Minister of Railways and Canals representing the Crown, ratified by Dominion Chapter 16, 1915, provided for acquisition by the Crown of the whole of the railway and undertaking of the Company together with all its rights, franchises, powers and privileges including the main line of railway from Sackville to Cape Tormentine, and all lands, rolling stock, equipment, stores and all other personal property of the Company, for the sum of \$270,000 with interest at 4% per annum from August 1, 1914, to the date the transfer is completed and the purchase price paid, the Crown to remain in sole possession and to operate the railway as part of the Government Railways system from August 1, 1914.
- Dominion Order in Council dated May 12, 1915, authorized completion of purchase, and payment upon receipt of proper deed of conveyance. Dominion P.C. 1283, dated June 2, 1915, however, authorized payment of \$100,000 pending receipt of proper deed of conveyance.
- Deed of sale for \$270,000 was executed on December 1, 1917, and approved by Dominion P.C. 1629, July 6, 1918.

PROPERTY INVESTMENT:

As at December 31, 1960:
Road \$1,888,880

DONATIONS AND GRANTS:

Subsidies were (Statistics of Steam Railways of Canada - 1938, Page 64).

| | | |
|---------------------------|----------------|-----------|
| Dominion | \$113,440 | |
| Province of New Brunswick | <u>105,000</u> | \$218,440 |

LOCATION:

Moncton Division Tormentine Subdivision:
Sackville - Cape Tormentine Station 36.19 miles

NEW ENGLAND ELEVATOR COMPANY

(formerly wholly owned subsidiary of "Canadian National Railway Company")
dissolved March 16, 1944

INCORPORATED: April 16, 1901 - State of Maine, Volume 34, Page 101.

HISTORY:

A 1,500,000 bushel grain elevator was constructed by New England Elevator Company in Portland, Maine, on a site at tide-water which was purchased in 1847 and 1853 by Atlantic and St. Lawrence Railroad Company and included in the property leased to The Grand Trunk Railway Company of Canada for 999 years from July 1, 1853.

Under Tripartite Indenture of Conveyance dated July 1, 1901, between Atlantic and St. Lawrence Railroad Company, New England Elevator Company and The Grand Trunk Railway Company of Canada, the site for the proposed elevator and approaches thereto was conveyed to the Elevator Company, and in consideration of consent by The Grand Trunk Railway Company of Canada to such conveyance the Capital Stock of \$400,000 issued by the New England Elevator Company became the property of The Grand Trunk Railway Company of Canada. The Grand Trunk Railway Company of Canada therefore, acquired the capital stock at no cost.

The amount required to build the elevator was raised by the issue of \$400,000 First Mortgage 3-³/₄% bonds dated July 1, 1901, subscribed for by Portland capitalists, guaranteed by The Grand Trunk Railway Company of Canada, the principal to be repaid in annual instalments of \$10,000 each. The terms of repayment were carried out by The Grand Trunk Railway Company of Canada (now Canadian National Railway Company) and the bonds so purchased were cancelled.

Under Agreement dated January 1, 1902, the grain elevator was leased to The Grand Trunk Railway Company of Canada (now Canadian National Railway Company) for a term of 950 years from January 1, 1902 at an annual rental sufficient to pay interest on its outstanding bonds, taxes, maintenance and repairs of property, and operating expenses, the property to become vested in the lessee upon redemption by The Grand Trunk Railway Company of Canada of the bonds, issued in the amount of \$400,000, and discharge of the Trust Deed pertaining thereto dated July 1, 1901.

Under Agreement dated October 15, 1928, this grain elevator known as #2, together with the grain elevator known as #1 owned by Portland Elevator Company, was leased from that date to Stratton Grain Company at an annual rental of \$12,500. The lease was terminated March 31, 1933, and the property was again operated by Canadian National Railway Company.

In 1943 the elevator site which had been acquired originally by Atlantic and St. Lawrence Railroad Company and conveyed to New England Elevator Company was transferred back to Atlantic and St. Lawrence Railroad Company, and the elevator

property was transferred to Canadian National Railway Company.

Under Agreement dated August 3, 1943 between Atlantic and St. Lawrence Railroad Company and Canadian National Railway Company the grain elevator was sold to Atlantic and St. Lawrence Railroad Company for \$530,000 payable in capital stock of the Atlantic and St. Lawrence Railroad Company, in contemplation of winding up New England Elevator Company.

At meeting of stockholders of New England Elevator Company held at Portland, Maine on December 29, 1943, at which 3,994 shares of the 4,000 shares issued were represented, it was unanimously resolved that the affairs of the Company be liquidated and that the corporation be dissolved.

DISSOLUTION:

On March 16, 1944 New England Elevator Company having no assets or liabilities was dissolved and its corporate existence was terminated. Decree of Dissolution was issued by the Justice Supreme Judicial Court, State of Maine, on March 16, 1944.

The Certificates representing 4,000 shares of capital stock issued and outstanding were cancelled on March 16, 1944. The Charter, Seal, Original Minute Books and other corporate documents pertaining to the corporate existence of New England Elevator Company are in the custody of the Solicitor, Canadian National Railways, Portland, Maine.

PROPERTY INVESTMENT:

Prior to final liquidation and dissolution:

Road property:

Site

Foundation

Building and machinery

Organization and management

Miscellaneous expenses

The elevator was transferred to Canadian National Railway Company, and the site was transferred to Atlantic and St. Lawrence Railroad Company in December 1943.

CAPITAL STOCK:

Prior to dissolution on March 16, 1944:

| | | | |
|-------------|-------------|--------------|-----------|
| Authorized: | 4000 shares | - \$100 each | \$400,000 |
|-------------|-------------|--------------|-----------|

| | | | |
|---------|-------------|--------------|-----------|
| Issued: | 4000 shares | - \$200 each | \$400,000 |
|---------|-------------|--------------|-----------|

All owned by Canadian National Railway Company.

LONG-TERM DEBT:

Prior to final liquidation and dissolution:

3 ³/₄% First Mortgage Bonds were issued July 1, 1901 in the amount of \$400,000. These matured serially at the rate of \$10,000 per annum, and were secured by Trust Deed dated July 1, 1901. The Grand Trunk Railway Company of Canada (now Canadian National Railway Company) purchased these bonds as they matured and the Trust Deed was discharged on December 16, 1943. Bonds totalling \$340,000 were cremated on April 16, 1936, and the balance totalling \$60,000 were cremated on September 11, 1942.

THE NEWFOUNDLAND RAILWAY

(owned by Crown in right of Canada and entrusted to "Canadian National Railway Company" from April 1, 1949 for management and operation)

HISTORY:

In 1875 the Newfoundland Legislature voted a sum for a preliminary survey of a railway across the Island of Newfoundland from the Capital of St. John's on the east coast to St. George's Bay on the west coast. This survey was carried out during the summer of 1875 by a number of Canadian surveyors under the direction of Sandford (later Sir Sandford) Fleming.

The United Kingdom Government, however, would not sanction the route as the terminus was proposed to be on the French Treaty Coast.

Under Act 43 Victoria, Chapter 4, Newfoundland passed April 17, 1880 the Receiver-General of the Colony was authorized to raise a sum not exceeding \$5,000,000, and not exceeding \$5,000,000 in any one year to be applied to the construction of a railway from St. John's through the Peninsula of Avalon to the head of Notre Dame Bay and also any necessary branch lines. The construction was entrusted to five Commissioners and authority to requisition land was granted.

In the autumn of 1880 a survey was made of a route from St. John's to Harbour Grace via Whitbourne, and after due consideration of various proposals submitted, a charter was granted in June 1881 to a North American Company headed by Sir Hugh Allan, which gave the name "Newfoundland Railway Company" to the undertaking.

Under Act 44 Victoria, Chapter 2, passed May 9, 1881 the Newfoundland Government was authorized to enter into a contract with a syndicate consisting of five members, William Bond, Frank W. Allen, C. X. Hobbs, Domingo Vasquez and Albert L. Blackman to build 340 miles of railway from St. John's through the Avalon Peninsula to Halls Bay with Branch Lines to Brigus or Clark's Beach and Harbour Grace to Carbonear and to operate the same. This Act also declared the Articles of Agreement dated April 20, 1881 to have the force and effect of an Act of the Legislature of Newfoundland, and to be an Act of incorporation within the meaning of the Contract. Act 44 Victoria, Chapter 4, passed May 9, 1881 authorized the raising by Loan the sum of \$145,000 for the construction of a Railway and for other purposes connected therewith.

In 1881 a contract called the "Blackman" contract was entered into under which the Newfoundland Railway Company undertook to build a 3' - 6" narrow gauge railway from St. John's to Hall's Bay on Notre Dame Bay within five years, with a branch line from Whitbourne to Harbour Grace, a total of about 340 miles.

The railway was not expected to be a profitable enterprise, and the terms of contract were for the construction and operation of the railway for 5,000 acres of land per mile of line, and an annual subsidy of \$180,000 for a period of 35 years. The total cost would have been \$6,300,000 and land grants of 1,750,000 acres, and the railway was to be owned in fee simple by the Company.

On August 9, 1881 construction was commenced and at the close of the season 20 miles were graded and 10 miles of rail laid. The line commenced from the east end of St. John's at Fort William where the Newfoundland Hotel now stands. Ship connections were made by a spur track to the battery, with a switchback to tidewater near the site of the present U.S. Navy Docks.

On December 5, 1881 the first railway engine arrived at St. John's by the S.S. "*Merlin*".

CARBONEAR BRANCH

In 1884 the railway was completed from St. John's to Harbour Grace via Whitbourne, a distance of about 84 miles. The last spike was driven by the Prince who was to become King George V, and who was at the time visiting Newfoundland as a midshipman aboard H.M.S. "*Cumberland*". Before the line was completed half way to Whitbourne the Newfoundland Railway Company had fallen into financial difficulties and Sir Francis

Evans was appointed Receiver. The Receiver completed construction to Harbour Grace and with his Manager, Captain Noble, operated the line for the English security holders.

The line was completed and opened for traffic as follows:

| | | | |
|---------------------------|------------------|-------------|------------------|
| St. John's (Fort William) | to Avondale | 37.65 miles | May 1, 1884 |
| Avondale | to Whitbourne | 18.25 miles | November 1, 1884 |
| Brigus Junction | to Harbour Grace | 32.50 miles | November 1, 1884 |

In 1896 the Government of Newfoundland purchased the line from St. John's via Whitbourne to Harbour Grace for \$1,581,666, and took over operation of the line.

In 1897 the line from Brigus Junction to Tilton, 26 miles, was constructed, and the line was extended from Harbour Grace to Carbonear, 6 miles.

The line from Whitbourne to Tilton was discontinued in 1914 and rails were removed.

In 1897 the 35# rails originally laid were replaced with 50# rails.

THE PLACENTIA RAILWAY

In 1885 the administration of Sir William V. Whiteway who had inaugurated the Newfoundland Railway policy was succeeded by a Government under Sir Robert Thorburn who authorized the construction of the line from Whitbourne to Placentia. Construction was started in the Spring of 1886 and the line was completed and opened for traffic as follows:

| | | | |
|-------------------|--------------|-------------|-----------------|
| Whitbourne | to Placentia | 26.02 miles | October 2, 1888 |
| Argentia Junction | to Argentia | 3.15 miles | October 2, 1888 |

A further extension of the railway as a public work was started but the project proved too costly and was abandoned after grading had been completed to Rantem, Cost \$465,000

On June 16, 1890, R. G. Reid and G. H. Middleton contracted to build the Newfoundland Northern and Western Railway (see next below) and also took over operation of The Placentia Railway free of charge.

In 1889 Sir William Whiteway again became Premier and under Act 52 Victoria, Chapter 4, passed June 1, 1889 the line to Hall's Bay was authorized and the Receiver General was authorized to raise \$4,250,000 for this purpose, the project to be administered by a Board of Commissioners under the terms of existing legislation. Tenders were called for and on June 16, 1890 the contract was awarded Robert S. Reid of Montreal and G. H. Middleton to build what was known as the Newfoundland Northern and Western Railway, and they also took over the operation of the Placentia Railway. The line was completed and opened for traffic:

| | | | |
|--------------------|---------------|--------------|-----------------|
| Placentia Junction | to Norris Arm | 192.28 miles | October 1, 1893 |
|--------------------|---------------|--------------|-----------------|

NEWFOUNDLAND NORTHERN AND WESTERN RAILWAY

In 1889 the Newfoundland Government commenced construction of what was known as the Hall's Bay Railway (later forming part of Newfoundland and Western Railway) from a point on the Placentia Railway now known as Placentia Junction, northward towards Hall's Bay. Some 16 miles were completed that year, and grading was completed to Rantem.

On June 16, 1890, Robert G. (later Sir Robert G.) Reid of Montreal and G. H. Middleton paid the Government \$90,000 for the work done the previous year, and contracted to build and equip a line from Placentia Junction towards Hall's Bay (262

miles) within a five year period for \$15,600 per mile. This would bring the line to Hall's Bay. The Contractors deposited \$250,000 as security for fulfilment of contract. The work was to be done to the satisfaction of the Government Engineer, H. C. Burchell. 10 miles were completed in 1890. The Contractors also took over operation of The Placentia Railway free of charge.

In May 1892 Reid and Middleton dissolved partnership and Robert G. Reid alone continued construction of the line. By 1893 the line was completed to Norris Arm (Exploits).

During the period of construction it was decided that the railway would not be routed northward to Hall's Bay, but would run by the most direct route to the northeast end of Grand Lake, thence to the mouth of the Humber River at Bay of Islands and onward to Port aux Basques.

Robert G. (later Sir Robert G.) Reid was born in Scotland; had worked in Australia as a stone mason, and in Canada as a railway and bridge contractor; and was later a Director of the Canadian Pacific Railway Company, and the Bank of Montreal. He had three sons "W. D.", "H. D." and "R. G.", all of whom were associated with and worked with him during railway construction in Newfoundland, and were Directors of Reid Newfoundland Company, Limited, upon its incorporation in 1901.

In 1893 when the railway had been completed to Norris Arm it became clearly evident that if, would be necessary to extend the line to Port aux Basques from whence a daily communication could be maintained with Canada by steamer, accordingly Act 52 Victoria, Chapter 2 was passed on May 24, 1893 providing for the extension of the railway to Port aux Basques. A contract agreement entered into May 16, 1893 was confirmed between the Government and R. C. Reid to build the line for £1,000,000 Sterling to be paid in debentures.

Also on May 16, 1893 Robert G. Reid signed another contract to operate the Placentia Branch Railway (19.5 miles), and the Newfoundland Northern and Western Railway from Whitbourne to Port aux Basques (492.6 miles) for a period of ten years from September 1, 1893. For maintenance and operation of these two lines and the erection of telegraph lines, the Contractor was to receive 5,000 acres of land in fee simple for each mile of line operated. The land was to be located on each side of the railway in alternate sections of one or two miles in length and eight miles in depth, and where such sections were not obtainable, the Contractor could select blocks of Crown lands elsewhere, the blocks to be not less than one mile square nor more than ten miles square.

The wages of daily labourers were to be not less than \$1.00 per day.

SUMMARY OF MILEAGE:

The railway was completed and opened for traffic as follows:

| <u>From</u> | <u>To</u> | <u>Miles</u> | <u>Date</u> |
|---------------------------|------------------|--------------|-------------------|
| St. John's (Fort William) | Avondale | 37.65 | May 1, 1884 |
| Avondale | Whitbourne | 18.25 | November 1, 1884 |
| Brigus Junction | Harbour Grace | 32.50 | November 1, 1884 |
| Whitbourne | Placentia | 26.02 | October 2, 1888 |
| Argentia Junction | Argentia | 3.15 | October 2, 1888 |
| Placentia Junction | Norris Arm | 192.28 | October 1, 1893 |
| Notre Dame Junction | Lewisporte | 9.34 | April 30, 1898 |
| Norris Arm | Port aux Basques | 293.32 | June 29, 1898 |
| Harbour Grace | Carbonear | <u>5.92</u> | September 1, 1898 |
| Total | - | 618.43 | |

The first through passenger train left St. John's 7:20 p.m. June 29, 1898 and arrived at

Port aux Basques 10:45 p.m. June 30. The S.S. "*Bruce*" left Port aux Basques for the mainland at 11:50 p.m. on June 30 (one hour and five minutes after arrival of the first train).

Act 61 Victoria, Chapter 4, passed May 12, 1897 authorized the construction of the following lines:

- (1) Clarks Beach or Brigus to Tilton
 - (2) Branch to Carbonear
 - (3) Carbonear to Hearts Content
 - (4) Branch to Burnt Bay or Hall's Bay
- and to operate these lines and issue of debenture to pay for these projects.

In 1897 a branch was built from Notre Dame Junction to Lewisporte, 9 miles.

During the construction of the Railway, the Contractor also built roads for the Government, connecting settlements and populated areas with the Railway. One was a 40-mile waggon road from Trinity to Shoal Harbour via Lethbridge, another was a 5-mile road from Alexander Bay, and others were from Arnold's Cove, Come-by-Chance, Hall's Bay to Badger and from Northern Bight.

GENERAL

The year 1897 had been a poor year with respect to fisheries, Customs revenues were declining, and about 3,000 men were out of work following completion of railway construction. The Newfoundland Government was operating the old Newfoundland Railway to Carbonear at a loss, while Robert G. Reid was operating the Newfoundland Northern and Western Railway on a short-term contract. Consolidation of operation of the whole railway by Robert G. Reid was desirable and negotiations with him were commenced.

Robert G. Reid had undertaken operation of the Newfoundland Northern and Western Railroad for a period of ten years from September 1, 1893 to secure the construction contract from Bishop's Falls to Port aux Basques, and while he had faith in the natural resources of the lands he had acquired, he was not prepared to develop them while the future of railway operation was uncertain. His sons, however, wished to cease their roving railway building and settle down to developing the natural resources of Newfoundland. Mr. Reid was prepared to contract for the operation of the whole railway for a period of fifty years, and the Government was pleased with the possibility of getting free of the burden of railway operation. Mr. Reid was believed to be worth seven or eight million dollars at the time and the Government expected that during the long-term operation of the railway Mr. Reid would be sure to develop his lands providing employment for many men.

On March 3rd, 1898 a contract between the Government of Newfoundland and Robert G. Reid was signed, whereby Mr. Reid undertook to operate the whole railway system, which then totalled about 637 miles, for a period of 50 years from that date for an additional 5,000 acres of land per mile of line operated. The lands were to be located on each side of the track in alternate sections of one or two miles in length and ten miles in depth, and of any lands selected elsewhere, lands within three miles of the seashore would not be granted.

The contract provided for abandonment of the line to the east end of St. John's and a new line to be built from Donovan's to Riverhead. The station at St. John's was to be built at the expense of the Contractor. The west end branch, as this was called, was opened in the spring of 1903.

The Contractor purchased the Dry Dock at St. John's, which had been built for

the Newfoundland Government in 1884 at a cost of \$550,000, for \$325,000, and operated it as part of the Railway System.

The Contractor also purchased the Newfoundland Government telegraph lines of approximately 1,000 miles for \$125,000 and undertook to operate the Telegraph System for a period of 50 years, with provision for extensions and their operation. A subsidy of \$10,000 per year was to be paid until 1904 when Anglo-American Telegraph Company rights would terminate, after which no subsidy would be paid.

The contract provided for the construction and operation of eight modern coastal steamships for the Newfoundland coastal mail and passenger service for which a subsidy of \$91,080 per year was to be paid. This subsidy proved to be inadequate and the Contractor lost money through operation of the boats.

The Contractor also undertook to pave Water Street in St. John's for \$140,000. He commenced quarrying hard blue stone from the hills near St. John's for this purpose, thus providing employment for local labour but upon objection to this being raised by a prominent politician and critic, he thereupon quarried granite from his own quarries elsewhere and hauled it to St. John's by train at less cost.

The contract provided for cash payment by the Contractor shortly after execution of the contract of a sum of \$1,000,000, and at termination of the 50-year contract the Contractor would retain ownership of the Railway and release one half of the lands acquired by him under the terms of the contract. This would have left R. G. Reid with 4,124,200 acres of land. The Railway had cost \$11,664,962 to construct. Reid's payment of \$1,000,000 compounded for 50 years at 5% would have amounted to \$11,467,400, practically the cost of the Railway.

This agreement was confirmed by 61 Victoria, Chapter 1 passed March 15, 1898.

On March 5, 1899, Robert G. Reid was granted 3,345,958 acres of the 4,124,200 acres due him. Some of these were blanket grants, as at the time, it was practically impossible to define the boundaries of the lands to be granted. These blanket grants, in some places, took in lands owned and occupied by individuals, and thrust upon the latter the trouble and expense of proving their titles, which was often difficult to establish. This led to the effective cry in the 1900 elections that "Reid even owns our graveyards".

In 1900, R. G. Reid thought his holdings and enterprises were too extensive to be held under one name, and that his interests should be administered by a company. He applied for incorporation, but, because of political issues then existing, this was refused unless the contract of 1898 could be modified.

In 1901 Reid Newfoundland Company Limited was incorporated with a share capital of \$25,000,000, Mr. Reid's three sons previously mentioned were included in the Board of Directors. The Incorporation was confirmed and declared legal by Act 1 Edward VII, Chapter 5, Schedule B passed August 2, 1901.

The 1898 contract was repealed and on August 2, 1901 a new contract was entered into with the Reid Newfoundland Company, Limited, which leased the railway to the Company for a 50-year period and provided that at termination of the 50-year period ownership of the Railway would remain with the Newfoundland Government, and that the \$1,000,000 paid by Robert G. Reid would be returned with interest at 6%. The lands granted in accordance with the terms of the 1898 contract were to be surrendered, and a payment of \$850,000 in cash was to be made in lieu thereof. The Company would also be entitled to reimbursement at the end of the 50 year period for additions and improvements to the line. The contract also provided that the Company relinquish the Telegraph System which the Reid interest provided under the 1898 contract and that the Company should be compensated by an amount to be decided by arbitration. An award of \$1,503,000 was made in 1905.

The New West End Depot was completed and opened for service by the contractor about January 1, 1903, and the line from Western Junction near St. Anns to St. John's West a distance of 7.31 miles was opened for traffic at the same time. Operation over the original line from West End Junction to the old Fort William Depot a distance of 8.61 miles was discontinued and the line was subsequently dismantled. The railway terminal at Fort William was destroyed by fire on March 31, 1900.

In 1907, Sir Robert G. Reid died, and his son William D. (later Sir William D.) Reid succeeded him as President of Reid Newfoundland Company, Limited.

Under agreement with the Government of Sir Edward Morris dated December 7, 1909 the Reid Newfoundland Company agreed to build the following:

| | | | |
|----------------|-------------|---------------------|------------------|
| 1 | Clarenville | to Bonavista | 88 miles |
| 2 | Broad Cove | to Heart's Content | 15 miles |
| 2 | | and to Grate's Cove | 37 miles |
| 3 | St. John's | to Trepassy | 105 miles |
| 4 | Goobies | to Fortune Bay | 125 miles |
| 5 | Deer Lake | to Bonnie Bay | <u>28 miles</u> |
| Total - | | | 398 miles |

The construction price was set at \$15,600 per mile together with 4,000 acres of land per mile.

The above agreement was confirmed by Act 10 Edward VII, Chapter 12 passed March 22, 1910.

Under Act 3 George V, Chapter 13, of Newfoundland passed April 16, 1913 the railway to Heart's Content and Grate's Cove was revised to read;

| | | |
|------------|--------------------|----------|
| Broad Cove | to Heart's Content | 15 miles |
| Carbonear | to Grate's Cove | 37 miles |

Construction was started on the Bonavista Branch in the Fall of 1909 and the line was completed and opened for traffic on November 8, 1911.

Construction on the Trepassey Branch was started in 1911 and the line was completed and opened for traffic on January 1, 1914, operation was discontinued about December 31, 1931 and the line was abandoned.

Construction on the Heart's Content and Grate's Cove branch was started in 1913 and the line was opened for traffic about July 1, 1915. Operation was discontinued about December 31, 1939, and the line was abandoned.

Construction on the Fortune Bay Branch was abandoned after 43 miles was completed.

The Contractor was paid \$15,000 per mile for construction of these Branches, and was given 4,000 acres of land per mile for their operation. The cost of construction was \$7,448,234.

Summarizing, the Branch Lines were completed and opened for traffic as follows:

| <u>From</u> | <u>To</u> | <u>Mileage</u> | <u>Date</u> |
|---------------|-----------------|----------------|------------------|
| Shoal Harbour | Bonavista | 88.00 | November 8, 1911 |
| St. John's | Trepassy | 105.00 | January 1, 1914 |
| Carbonear | Grate's Cove | 37.00 | July 1, 1915 |
| Broad Cove | Heart's Content | <u>15.00</u> | July 1, 1915 |
| Total | | 245.00 | |

The following lines were abandoned and subsequently dismantled.

| <u>From</u> | <u>To</u> | <u>Mileage</u> | <u>Date of Abandonment</u> |
|-------------|-----------|----------------|----------------------------|
|-------------|-----------|----------------|----------------------------|

| | | | |
|---------------------------|------------------|---------------|-----------------|
| St. John's (Fort William) | Western Junction | 8.61 | January 1, 1903 |
| St. John's | Trepassy | 95.00 | July 1, 1931 |
| Carbonear | Grates Cove | 37.00 | July 1, 1931 |
| Broad Cove | Heart's Content | <u>15.00</u> | July 1, 1939 |
| | Total | 155.61 | |

With the increased mileage of Branch Lines in operation it became necessary to increase the motive power and equipment as well as the number of employees. All these factors together with the increased cost of labour and materials due to World War I brought about a financial crisis to the railway. The Reid Newfoundland Company appealed to the Government for assistance. On August 13, 1920 a joint Railway Commission was appointed to take over the operation of the railway and steamships for one year. This Commission terminated on June 30, 1921.

On December 20, 1917, H. D. Reid succeeded Sir William D. Reid as President of Reid Newfoundland Company, Limited.

In 1920, having in mind continual operating deficits, the Reid Newfoundland Company, Limited, advised the Government that they could not continue operation of the Railway because of lack of funds. Following this, six Commissioners were appointed (three by the Company and three by the Government), and they operated the Railway including the steamship service from July 1, 1920 to June 30, 1921. The Government furnished the necessary funds. During this period the branch from Argentia Junction to Argentia, 3½ miles, was constructed at a cost of \$293,540. This dual control was not found to be practicable.

The railway situation became very acute in 1921 and the Prime Minister Sir Richard Squires requested Sir George Bury a former Vice President of the Canadian Pacific Railway to survey the situation and report. In his report dated June 29, 1921 Sir George Bury advocated.

That the Government enter into a new contract with the Reid Newfoundland Company to operate the railway with the utmost economy consistent with safety.

The appointment of a capable General Manager.

The formation of a Commission similar to the Board of Railway Commissioners of Canada.

Strict supervision of Capital Expenditures.

That the Government agree to pay the actual loss from operation up to but not exceeding \$1,500,000.

In 1921 the Reid Newfoundland Company, Limited agreed to operate for one year under a railway expert, R. C. Morgan, formerly Superintendent of Terminals (C.P.R.) at Winnipeg, as General Manager. Funds for capital expenditure were to be provided by the Government and charged to the Company.

In April 1922 the Reid Newfoundland Company, Limited advised the Government they could no longer operate the Railway and offered to surrender the system to the Government.

In May 1922, a dispute arose between the Company and the Government over financial matters, and railway operations ceased entirely during the period May 16, to May 23. Temporary arrangements were then made between the Government and the Bank of Montreal and on June 15, 1922 the Government agreed to provide all funds

necessary to operate the system from July 1, 1922 to June 30, 1923.

Act 14 George V, Chapter 24 passed July 13, 1923 provided for a complete and final settlement of all matters outstanding between the Government of Newfoundland and the Reid Newfoundland Company which would withdraw from Transportation, Express and Dry-Dock operations would convey its eight coastal craft to the Government, and would abandon its interests in certain Land Grants. In turn the Government would pay the Reid Newfoundland Company \$2,000,000 in compensation.

On July 1, 1923 the railway was taken over entirely by the Government from the Reid Newfoundland Company and operated as the Newfoundland Government Railway. Under the terms of an agreement executed August 1923 the Reid Newfoundland Company along with its subsidiaries agreed.

(1) To retire absolutely from all transportation operations, including express, in, from, and to, the Colony, and from Docking Operations in Newfoundland.

(2) To convey or procure to be conveyed and invested in the Government free of all encumbrances.

(a) The eight steamships, Kyle, Meigle, Sagona, Glencoe, Argyle, Clyde, Home and Patrol with their furnishings.

(b) The assets and goodwill of the express business

(c) The Dry Dock Premises

(d) All stocks of material and supplies

(e) All buildings, rolling stock, equipment and accommodations.

The Government, agreed to pay to the Reid Newfoundland Company the sum of \$2,000,000 in bonds of the Colony, at par, maturing in 20 years and bearing interest at 5% per annum.

From July 1, 1923 to 1926 the Railway (then known as the Newfoundland Government Railway) was operated by the Newfoundland Government, under the control of a Board of Railway Commissioners.

Under the (Newfoundland) Railway Act 17 George V, Chapter 24, passed June 9, 1926 control of the Railway was transferred to a Department of the Newfoundland Government, and so remained until ownership was transferred to the Crown in right of Canada on April 1, 1949 under the Terms of Union of Newfoundland with Canada.

Under above Act of June 9, 1926 the name of the Railway was changed to "Newfoundland Railway."

CONSTRUCTION AND MAINTENANCE STANDARD:

R. G. Reid brought many of the railroad builders, stone cutters, masons, and bridge builders from Scotland, his own birthplace. The names Cobb, Henderson, Burton, Graham, Connors, Campbell and Ross are familiar in the history of the railway, and places along the railway are named after some of them.

"The Newfoundland Northern and Western Railway" from Whitbourne to Port aux Basques was laid with 50# rails, and the standard of construction of about 212 miles westerly to Bishop's Falls was said to be high. Culverts were of stone and a substantial roadbed was provided. Cuts and fills were made and grade lines were regular.

From Bishop's Falls westerly to Port aux Basques, about 280 miles, construction of the roadbed was not maintained to the same standard. Cuts were made sparingly, and the grade was more or less surface laid. No bog was removed, fills settled into the bogs and are a constant source of trouble. Culverts were of timber construction, and because of lack of maintenance funds during the "Reid" and subsequent Newfoundland Government operation, remained an expensive replacement problem when the railway

was entrusted to Canadian National Railway Company for management and operation on April 1, 1949.

Bridges on the Newfoundland Northern and Western Railway were of steel construction, designed and erected by the Dominion Bridge Company. Bridges on the old Newfoundland Railway from St. John's to Carbonear were of iron, and made in England. Most of these bridges have been either replaced or remodelled. Bridge foundations were of high standard, of granite ashlar quarried in the Gaff Topsails and Benton Areas. Workmanship was excellent. Most of the granite bridge piers and abutments rest on a timber mat on a piled foundation. There are 141 bridges with a total of 192 spans on the main line of 547 miles between St. John's and Port aux Basques, and 45 bridges with a total of 49 spans on the branch lines.

The location of the railway through practically unknown, very broken, rocky and mountainous territory was an engineering feat of great magnitude, and much credit is due to the engineers who performed this work.

The railway was proposed to be built to a maximum curvature of 10 degrees and a 2% grade. This was difficult to maintain in rugged territory where there is a ruling grade nearly every twenty to thirty miles, consequently grades reached 2½% and curvature 12 and 14 degrees. There are over 35 miles of main line track from 2 to 2½%, and 3½ miles over 2½% grade, and more than 35 miles of 10 to 12 degree and nearly a mile of 14 degree curvature. 10 and 12 degree curves are common on some of the steepest grades. The width of the right-of-way adjoining Reid lots and Crown lands is 100 feet, except where additional lands were required for station purposes, but where right-of-way was purchased from private owners the width varies from 50 to 100 feet.

The general direction of the rivers and valleys in Newfoundland is north-east and south-west, while the railway runs in east-west direction. The railway consequently crosses the ridges and valleys, hence the heavy grades and great number of bridges - nearly one every four miles.

During operation by the Reid Newfoundland Company, Limited, the Railway had become considerably run down and when the property was taken over by the Newfoundland Government in 1923 rehabilitation was necessary.

From May 1925 to November 1928 the 50# rails on the main line were replaced by 70# British Standard rails at a total cost of \$3,325,000. Building repairs were effected, ties were replaced, most of the main line bridges were either remodelled or replaced, and a ballasting programme was carried out and new rolling stock was added.

Considerable snow troubles are continually experienced in the Gaff Topsails area in winter months, and in 1928 it was proposed to eliminate the Topsails by diverting the Railway from Millerton Junction to Howley by way of Buchans. The location was made by a survey party engaged from the Reid Newfoundland Company, Limited and construction was started in the summer of 1928. About 15 miles were graded and 6 miles of rails were laid, but the project was abandoned after work ceased in the fall of 1928, and the rails were taken up in 1929.

During location on the Bonavista Branch in 1910, considerable difficulty was encountered in getting a location from the high area between Trinity and Bonavista Bays into the town of Trinity. After much time being spent in running trial lines, it was accomplished by installing a loop 1½ miles in length. The height of one track above the other at the crossing is 34 feet.

Since entrustment effective April 1, 1949 by the Dominion Government of the Newfoundland Railway to Canadian National Railway Company for management and operation many improvements and additions to the property have been made including such features as treated hardwood ties, rail anchors, tie plates, new rail and fastenings, rock ballast, additional sidings and yard tracks, paving of station platforms, widening

cuts, replacement of wooden culverts with concrete pipe and other improved culverts, rock rip-rap protection of embankments near the seashore, etc., and new rolling stock. The capital expenditures with respect thereto totalled more than \$28,000,000 to the end of 1956, excluding the cost of the M.V. "*William Carson*" and the cost of extensive improvements of terminal and wharf facilities at Sydney and Port aux Basques including dredging, and construction of a break-water between Graveyard Point and Baldwin Shoal, Newfoundland, which is included in Dominion Government accounts.

Mileage December 31, 1960:

| | | |
|--------------------------------|---------------------|---------------------|
| St. John's | to Port aux Basques | 547.22 miles |
| Placentia Junction | to Argentia | 20.65 miles |
| Shoal Harbour | to Bonavista | 88.10 miles |
| Brigus Junction | to Carbonear | 38.45 miles |
| Notre Dame Junction | to Lewisporte | 9.36 miles |
| Argentia Junction to Placentia | | <u>1.36 miles</u> |
| Total | - | 705.06 miles |

NEWFOUNDLAND RAILWAY STEAMSHIP SERVICES

HISTORY:

Under the terms of the Contract of March 3, 1898, confirmed by Act 61 Victoria, Chapter 6, Newfoundland, passed March 15, 1898. The Contractor agreed to provide suitable steam-boats to provide an improved mail service for the Colony for the following routes:

- One steamer between Trepassy, Lamaline and intermediate points
- One steamer to ply in Trinity Bay
- One steamer to ply in Bonavista Bay
- One steamer to ply in Notre Dame Bay
- One steamer to ply between Placentia and Port aux Basques
- One steamer to ply between Port au Port and Battle Harbour, Labrador
- One steamer to ply between Port aux Basques and Sydney
- One steamer to ply between St. John's Harbour Grace or Carbonear and Labrador.

The Reid Steamship Company Limited, was incorporated on July 6, 1900 under the Companies Act of 1899, and was merged with the Reid Newfoundland Company on August 2, 1901 under Act, 1 Edward VII, Chapter 7.

Under Agreement of August 1923, effective July 1, 1923 eight steamships, Kyle, Mergle, Sagana, Glencoe, Argyle, Clyde, Home and Petrel with their tackle and furnishings were conveyed to and invested in the Government.

During the period from 1935 to 1948 the steamship service was augmented by the addition of the Steamships Ranger, Baccalieu, Burges, Springdale, Bar Haven and Cabot Strait at a cost of \$3,500,000 to replace the Steamships Clyde, Home, Prospero, and Portia after 50 years service. Two freighters the S.S. Random and the S.S. Brigus, were operated.

When taken over by the Canadian National Railways on April 1, 1949 the following steamships were in operation:

| <u>Name of Ship</u> | <u>Built</u> | Registered <u>Gross</u> | Tonnage <u>Net</u> | Capacity <u>Cu. Ft.</u> | Ref. Space <u>Cu. Ft.</u> |
|---------------------|--------------|----------------------------|-----------------------|----------------------------|------------------------------|
| Glencoe 1899 | 767 | 336 | 20,000 | | |

| | | | | | |
|-----------------|-------|-------|-------|---------|-------|
| Kyle | 1913 | 1,055 | 548 | 25,930 | |
| Random 1921 | 1,792 | | 1,006 | 126,000 | |
| Northern Ranger | 1936 | 1,366 | 740 | 37,994 | |
| Baccalieu | 1940 | 1,421 | 839 | 47,600 | 1,400 |
| Burges | 1940 | 1,421 | 839 | 42,020 | 800 |
| H. W. Stone | 1942 | 265 | 192 | 15,500 | |
| Brigus | 1943 | 2,875 | 1,655 | 195,060 | |
| Cabot Strait | 1947 | 2,045 | 1,036 | 61,700 | 5,000 |
| Springdale | 1948 | 1,138 | 468 | 27,000 | 1,500 |
| Bar Haven | 1948 | 1,138 | 468 | 27,000 | 1,500 |

Notes:

- (a) S.S. "*Bar Haven*" and S.S. "*Springdale*" were paid for by the Dominion Government in 1949 in accordance with item XXIII of negotiations dated December 11, 1948, pursuant to Term 25 of the Terms of Union of Newfoundland with Canada. The amount paid \$1,466,934, is included in Canadian National Railways accounts by credit to Proprietors Equity.
- (b) Canadian National Railways acquired these 3 vessels from the Newfoundland Government in 1950 for \$60,000 each.
- (c) The M.V. "*Bonavista*" and M.V. "*Nonia*" were constructed for, and acquired with funds provided by, the Dominion Government. The amount paid is included in Canadian National Railways accounts by credit to Proprietors Equity.
- (d) The M.V. "*William Carson*" is an auto-ferry of the ice-breaking type equipped with fore and aft propellers, enabling it to operate in all weather. The vessel was constructed by Canadian Vickers, Montreal, launched November 26, 1953, and has a capacity for transporting the following:
- 262 passengers
 - 58 automobiles (or 46 autos and 7 trucks or busses)
 - 6 Trucks
 - 25 head of cattle
 - 600 tons of cargo

Special equipment is installed for efficient, prompt handling, stowing freight and rapid unloading, and unloading of motor vehicles.

Bulk of freight is handled in containers, which decreases the length of time required to load or unload cargo, eliminates a large part of the second handling of freight, express and mail which in turn also reduces loss and damage claims.

The vessel was provided at the expense of the Dominion Government for operation in the Cabot Strait Service between North Sydney, N.S. and Port aux Basques, Newfoundland, but preliminary tests disclosed that the vessel could not operate satisfactorily from Port aux Basques until further work was done in the harbour. Remedial work undertaken by the Government at its own expense was the erection of a sea wall between Graveyard Point and Baldwin Shoal, Newfoundland.

In August 1955, the vessel was placed in temporary service between Sydney, N.S. and Argentia, Newfoundland and will continue in that service pending completion of the remedial work undertaken by the Government at Port aux Basques.

The cost of constructing the vessel is not included in Railway accounts, but the cost to December 31, 1955 recorded in Dominion Government Departmental Estimates is \$11,243,000.

FORMER VESSELS OF THE FLEET:

| | | Date <u>Acquired</u> | Date <u>Retired</u> |
|-----|--|-------------------------|--|
| (a) | S.S. "Argyle" | 1940 | 1937 Sold |
| | S.S. "Brigus" | 1946 | 1955 Sold |
| (b) | S.S. "Bruce" | October 13, 1897 | March 24, 1911 - Lost near Louisburg. |
| (b) | S.S. "Bruce" | February 12, 1912 | 1915 Sold to Russia during World War I. |
| (d) | S.S. "Caribou" | October 23, 1925 | October 14, 1942 Sunk by German submarine near Port aux Basques. |
| (a) | S.S. "Clyde" | 1900 | 1948 Sold |
| (a) | S.S. "Home" | October 1900 | 1948 Sold |
| (c) | S.S. "Invermore" Uncertain (formerly "Dromedary") | | July 10, 1914 Lost at Brig Harbour Point, Labrador. |
| (d) | S.S. "Lintrose" | May 29, 1913 | 1915 Sold |
| (a) | S.S. "Meigle" | 1913 | 1936 Sold |
| (a) | S.S. "Petrel" | No record | Scrapped |
| (e) | S.S. "Portia" | No record | About 1940 Sold |
| (e) | S.S. "Prospero" | No record | 1937 Sold |
| (a) | S.S. "Sagana" | 1912 | 1941 Sold |
| | S.S. "Dundee" | About 1900 | 1919 Lost near Gander Bay. |
| | S.S. "Ethie" | About 1900 | 1919 Lost near Bonne Bay. |
| | S.S. "Fife" | 1900 | 1900 Lost on first trip in Strait of Belle Isle. |

There is also record of S.S. "Random" originally "Gustav Fischer" - then *Artenis* 1934, *Carl* 1935, *Siggy* 1941 and *Hondu* 1942, but no record of acquisition or retirement.

Notes:

- (a) The Steamships "Argyle", "Clyde", "Home", "Meigle", "Petrel" and "Sagana" were included in eight vessels handed over by Reid Newfoundland Company, Limited to Newfoundland Government under Agreement effective July 1, 1923. These vessels were eventually retired, each with some 50 years of service and were replaced by the Steamships "Northern Ranger", "Baccalieu", "Burgeo", "Springdale", and "Bar Harbour".
- (b) Both Steamships "Bruce" were in the Cabot Strait service.
- (c) The S.S. Invermore was in the Cabot Strait service from commencement of the daily train service on June 3, 1912 until replaced by the S.S. Lintrose on May 29, 1913. The Invermore was then diverted to the Labrador service until the vessel was lost on July 10, 1914.
- (d) When the daily train service was discontinued in 1915, and again became tri-weekly, the second S.S. "Bruce" and the S.S. "Lintrose" were sold. The Cabot Strait service was then taken over by the S.S. "Kyle" which remained in the service until replaced by the S.S. "Caribou" on October 23, 1925, which latter vessel remained in the Cabot Strait service until sank on October 14, 1942.
- (e) The S.S. "Portia" and S.S. "Prospero" were acquired on April 15, 1924 from Messrs. Bowring Brothers upon termination of an Agreement of February 5, 1904 between that firm and the Newfoundland Government which provided for a coastal steamship service to be given over a 20-year period.

NEW LONDON NORTHERN RAILROAD COMPANY

(Dissolved)

(Property included in Central Vermont Railway Incorporated from December 17, 1951.)

INCORPORATED:

| | |
|-------------------|--|
| June 7, 1859 | - By Special Act State of Connecticut (Private laws Connecticut 1859, Volume 5, Page 261). |
| February 24, 1860 | - By Special Act Commonwealth of Massachusetts (CH 38; 11 S.L. 25). |
| May 23, 1860 | - Special Act State of Connecticut amending act of June 7, 1859 authorized the consolidation of the Connecticut Corporation with the Massachusetts Corporation (Private laws Connecticut, 1860, Volume 5, Page 341). |

HISTORY:

On October 31, 1843, by Special Act No. 56 State of Vermont, "Brattleboro and Fitchburg Railroad Company" was incorporated. A line was built from Brattleboro, Vermont to Vermont - Massachusetts State Line, a distance of 10.49 miles; opened for traffic on April 15, 1849.

On March 15, 1844, under Special Act (Chapter 134; 8 S.L. 372) Commonwealth of Massachusetts, "Vermont & Massachusetts Railroad Company" (No. 1) was incorporated. A line of road was constructed from Vermont - Massachusetts State line to Grout's Corners (now Miller's Falls), Massachusetts, a distance of 10.3 miles which was opened for traffic on April 15, 1849. Lines were also built from Fitchburg, Massachusetts to Greenfield, Massachusetts, a distance of 55.78 miles and from Turner's Falls Junction, Massachusetts, to Turner's Falls, Massachusetts, a distance of 2.8 miles. These last two mentioned lines are excluded from this history as they were leased to the Boston & Maine Railroad and were never owned or operated by the Central Vermont Railway.

In 1851, "Vermont & Massachusetts Railroad Company" (No. 2) was formed by consolidation of Brattleboro and Fitchburg Railroad Company and Vermont & Massachusetts Railroad Company (No. 1) under authority of Vermont Act No. 64, October 26, 1849, and Massachusetts Special Act Chapter 310; 9 S.L. 401, May 24, 1851.

On May 1, 1880, the line from Brattleboro to Miller's Falls referred to as the "Brattleboro Branch" of the Vermont & Massachusetts Railroad Company (No. 2) was sold to New London Northern Railroad Company under authority of Special Act of Massachusetts dated May 1, 1878 (A. & R. 1878; Chapter 210) and Special Act of Connecticut dated February 17, 1880 (S.L. 1880; Volume 8, Page 352).

Under Special Act, State of Connecticut (Private Laws, May 1847. Session, Volume 4, page 990) "New London Willimantic and Springfield Railroad Company" was incorporated, the Company was organized December 29, 1847 under Special Act, State of Connecticut, (Private Laws, May 1948 Session, Volume 4, Page 996) the Company was authorized to unite with New London, Willimantic and Palmer Railroad Company which had been incorporated in Massachusetts.

Under Special Act of General Court, Commonwealth of Massachusetts (Laws of 1848, Chapter 100) "New London Willimantic and Palmer Railroad Company" was incorporated on April 10, 1848, and on January 17, 1849, New London, Willimantic and Springfield Railroad Company was merged with this Company.

The Line was completed and opened for traffic as follows:

| | | | |
|------------------|---------------------|--------------------|---------------|
| Near London, CT. | to Willimantic, CT. | 29.86 miles | May 13, 1849 |
| Willimantic, CT. | to Stafford, CT. | 20.00 miles | March 1, 1850 |
| Stafford, CT. | to Palmer, MA. | <u>14.98</u> miles | |

| | | |
|-----------------|----------------|--------------------|
| Total | | |
| New London, CT. | to Palmer, MA. | 64.84 miles |

The Company failed to meet the interest charges on its Mortgage Bonds and on January 5, 1859 the Trustees took possession of the road for the benefit of the bondholders. Following foreclosure proceedings the bondholders were authorized by special Acts of the State of Connecticut (Private Laws of Connecticut 1859, Volume 5, Page 261) and of the Commonwealth of Massachusetts (Chapter 38, 11 S.L. 25) to reorganize under the name New London Northern Railroad Company to take over the property.

Under Special Act of the Commonwealth of Massachusetts (Chapter 227; 9 S.L. 387) "Amherst and Belchertown Railroad Company" was incorporated on May 24, 1851. Construction was commenced April 23, 1852 and the line from Palmer, Massachusetts to Amherst, Massachusetts (19.5 miles) was opened for traffic May 9, 1853.

On January 1, 1858 the road was turned over to the trustees of the mortgage bondholders. On October 14, 1858 the road was purchased by the bondholders, at auction sale.

Under Special Act of the Commonwealth of Massachusetts (Chapter 91; 10 S.L. 812) "Amherst Belchertown and Palmer Railroad Company" was incorporated on March 25, 1858, and the bondholders who acquired the Amherst and Belchertown Railroad in October, 1858 gave possession of the road to Amherst, Belchertown and Palmer Railroad Company on January 1, 1859.

Under Special Act of the State of Connecticut (Private Laws Connecticut, 1859, Volume 5, Page 261) "New London Northern Railroad Company" was incorporated on June 7, 1859. Under Special Act of the Commonwealth of Massachusetts (Chapter 38, 11 S.L. 25) "New London Northern Railroad Company" was incorporated on February 24, 1860. Under Special Act of the State of Connecticut, May 23, 1860, (Private Laws, Volume 5, Page 341) the original Act of Incorporation was amended, authorizing the consolidation of the Connecticut corporation with the Massachusetts corporation. Directors of the consolidated company were elected May 30, 1861.

On March 30, 1861, New London Northern Railroad Company acquired the line from New London, Connecticut to Palmer, Massachusetts (64.84 miles) formerly owned by New London, Willimantic and Palmer Railroad Company.

On March 1, 1864, New London Northern Railroad Company acquired the line from Palmer, Massachusetts to Amherst, Massachusetts (19.5 miles) formerly owned by Amherst, Belchertown and Palmer Railroad Company.

New London Northern Railroad Company constructed the line from Amherst, Massachusetts to Millers Falls, Massachusetts (14.5 miles), which was opened for traffic October 8, 1866.

On May 1, 1880, New London Northern Railroad Company acquired the line from Grout's Corners (Millers Falls), Massachusetts to Brattleboro, Vermont, (21 miles) formerly owned by Vermont and Massachusetts Railroad Company.

The road was operated by New London Northern Railroad Company until December 1, 1871 when it was leased by J. Gregory Smith, Worthington C. Smith and Benjamin P. Cheney for 20 years from that date. Effective June 25, 1873 the lease was assigned to Central Vermont Railroad Company.

Effective December 1, 1891, the road was leased to Consolidated Railroad Company of Vermont (lease assigned to Central Vermont Railway Incorporated, February 1, 1930) for 99 years from that date.

On Monday October 2, 1950, Mr. Donald Gordon, President of the Canadian National Railway Company accompanied by Mr. Charles Cowie, Treasurer, came to Hartford, Connecticut to discuss the question of opening negotiations for the purchase of

the stock of the New London Northern Railroad Company. Mr. Gordon was frank in stating that the lease of the Company was a serious burden to the Central Vermont Railway Incorporated, and if no reasonable solution to the problem could be worked out he would feel obliged to take whatever steps circumstances decided. After prolonged discussion it was agreed informally that if the CNR would offer \$160 per share to the shareholders that they "Mr. A. C. Hickmott, President, Mr. George Burnham and Mr. Arthur Shipman" would recommend it to the shareholders.

At a meeting of the Directors, held October 20, 1950, Mr. Hickmott read a letter from Mr. Donald Gordon, President, C.N.R. Incorporated, offering to purchase the shares at \$160 per share and the Directors recommended acceptance of this offer to the shareholders.

On May 28, 1951 the shareholders of the Central Vermont Railway Incorporated, upon the recommendation of the Board of Directors at a meeting held April 10, 1951 authorized the purchase of all the corporate property, franchises and assets except the liquid assets at the New London Northern Railroad Company for a total purchase price of \$2,672,203.45, and on May 22, 1951 the shareholders of the New London Northern Railroad Company authorized the acceptance of the offer of the Central Vermont Railway Incorporated and upon completion of the sale to wind up the corporate existence of the Company in each State. The above purchase was approved by the ICC under Finance Docket No. 17477 on November 30, 1951. Certificate of Dissolution dated June 16, 1952 was filed with the Secretary of State for the State of Connecticut on June 19, 1952 and by Order of the Superior Court in Equity of the Commonwealth of Massachusetts issued July 22, 1942 the Company was declared dissolved.

Total Purchase Cost
\$3,508,484.

DISSOLUTION: The certificates representing 15,000 shares of \$100 par value each of capital stock which were issued and outstanding were cancelled by perforation and destroyed. The charter, seal, original minute books, and other corporate documents pertaining to the corporate existence of the Company are in the custody of the Clerk and Treasurer, Central Vermont Railway Incorporated, St. Albans, Vermont.

LOCATION: Central Vermont Railway - Southern Division

| | <u>Miles</u> |
|--|---------------|
| Vermont and Massachusetts Railroad | |
| Brattleboro, VT to Miller's Falls, MA | 20.79 |
| New London Northern Railroad | |
| Miller's Falls to Amherst, MA. | 15.89 |
| Amherst and Belchertown Railroad | |
| Amherst to Palmer, MA. | 19.50 |
| New London, Willimantic and Palmer Railroad | |
| Palmer, MA. to New London, CT. | 64.84 |
| Palmertown Branch | 2.52 |
| Fitchville Branch | <u>1.64</u> |
| | 125.18 |

THE NIAGARA FALLS, WESLEY PARK AND CLIFTON TRAMWAY COMPANY, LIMITED
(property acquired by The Niagara, St. Catharines and Toronto Railway Company)

INCORPORATED: August 6, 1886 - Ontario Letters Patent.

Niagara Falls, Wesley Park and Clifton Tramway Company Limited was incorporated under Ontario Letters Patent issued August 6, 1886

Capital Stock - \$50,000.00

HISTORY: Opened for traffic - 3.75 miles in December 6, 1886 in what is now the City of Niagara Falls. By June 30, 1902 the mileage operated was 4.50 miles.
Under authority of Act, 1 Edward VII, Chapter 7, Province of Ontario passed April 15, 1901 the Company was authorized to sell its property, rights and franchises to the Niagara, St. Catharines and Toronto Railway Company and under authority of Act, 1 Edward VII Chapter 76 Dominion of Canada passed May 23, 1901 the Niagara, St. Catharines and Toronto Railway Company was authorized to acquire by agreement of lease or purchase the rights and assets of the Company. Under this authority an agreement was executed on February 12, 1902 for the Niagara, St. Catharines and Toronto Railway Company to purchase the property and rights of the Company for \$150,000 to be paid in fully paid up shares of the Capital Stock of the purchaser. This agreement was approved by Order-In-Council P.C. 41 issued March 27, 1902.

THE NIAGARA, HAMILTON AND PACIFIC RAILWAY COMPANY
(property acquired by The Niagara, St. Catharines and Toronto Railway Company)

INCORPORATED: March 4, 1881 - Ontario Act, 44 Victoria, Chapter 73.
July 22, 1895 - Dominion Act, 58 - 59 Victoria, Chapter 61.

DECLARATORY: Declared to be a work for the general advantage of Canada - Dominion Act, 50 - 51 Victoria Chapter 60, June 23, 1887.

HISTORY: Under Ontario Act, 44 Victoria Chapter 73, March 4, 1881, "St. Catharines and Niagara Central Railway Company" was incorporated to construct, maintain and operate a railway from St. Catharines to Bismark, to Smithville, to Caledonia, to Canfield; with branches to Hamilton and Queenston. A line was constructed and operated as a steam railway between St. Catharines and Niagara Falls.
Under Dominion Act, 50 - 51 Victoria, Chapter 60, June 23, 1887, the railway was declared to be a work for the general advantage of Canada.
Under Dominion Act, 51 Victoria, Chapter 78, May 4, 1888, the Company was declared to be subject to Dominion Legislative Authority.
Under Dominion Act, 58 - 59 Victoria, Chapter 61, July 22, 1895, the name was changed to "The Niagara Hamilton and Pacific Railway Company".
In 1899 the Company went into Receivership and its property was sold at Receiver's Sale. On August 11, 1899 the line of railway, and the rights, powers and franchises connected therewith, were acquired by "The Niagara, St. Catharines and Toronto Railway Company" under authority of Dominion Act, 2 - 3 Victoria, Chapter 77.

LOCATION: Niagara Falls - St. Catharines, Ontario. 12.35 miles
Opened for traffic December 20, 1888

DONATIONS AND GRANTS: The Dominion Government granted the original Company \$26,640 in 1888-1889 and \$11,760 in 1890-1891 or a total of \$38,400 under authority of Chapter 24, 1887 in aid of

construction (Public Accounts 1944, Appendix "B" Page 11).

| | |
|------------------------------|-----------|
| Capital Stock as Authorized: | \$300,000 |
| of June 30, 1891 issued: | 100,000 |
| paid up: | 68,359 |

NIAGARA LOWER ARCH BRIDGE COMPANY LIMITED - Canada
and
NIAGARA FALLS INTERNATIONAL BRIDGE COMPANY - United States

| | | |
|----------------------|-------------------|---|
| INCORPORATED: | April 23, 1846 | - State of New York. |
| | July 21, 1853 | - State of New York - Amended. |
| | December 26, 1846 | - Province of Canada Act, 10 Victoria, Chapter 112, by Proclamation. |
| | January 1, 1930 | - Dominion Letters Patent, October 24, 1929 - name of Canadian Company changed. |

HISTORY: Under Province of Canada Act, 10 Victoria Chapter 112, presented for Royal Assent June 9, 1846, Royal Assent, October 30, 1846, Royal Assent signified by Proclamation December 26, 1846, "The Niagara Falls Suspension Bridge Company" was incorporated to erect a bridge over the Niagara River near the Falls.

On April 23, 1846, "Niagara Falls International Bridge Company" was incorporated in the State of New York to control the United States part of the enterprise.

The first bridge erected was opened for traffic on March 19, 1855, and consisted of two floors, the upper floor carrying railway tracks and pedestrian walks with gates, and the lower floor carrying a highway for vehicles, foot passengers and animals.

Under Agreements dated October 1, 1853, January 18, 1872, and February 27, 1885 between The Niagara Falls Suspension Bridge Company and Niagara Falls International Bridge Company jointly, and The Great Western Railway Company (now Canadian National Railway Company), confirmed by Dominion Chapter 72, April 8, 1875, the railroad floor and structure of the Suspension Bridge across the Niagara River between Elgin (now the Town of Clifton), Ontario, and the Village of Bellevue (now Suspension Bridge) N.Y., including all its supports, fixtures and gates (excepting the sidewalks and their gates) and all the tolls, rights, powers and franchises of the Bridge Companies in respect thereof were leased to The Great Western Railway Company during the continuance of the latter Company's Charter at a rental of \$45,000 per annum to August 1, 1874 and \$50,000 per annum thereafter, plus maintenance. Taxes of every description are to be paid by the Bridge Companies. The speed of trains across the bridge is not to exceed 5 miles per hour and no locomotives or cars are to stop on the bridge in passing over. Directors and employees of the railway company or any other railway company with whom the latter may make arrangements for the use of the bridge are to be allowed free tickets to pass over the bridge, and the Directors and officers of the Bridge Companies are to be allowed free tickets to pass over the respective railways.

Under Dominion Act 57 - 58 Victoria, Chapter 98, 1894, and P.C. 1796, May 15, 1896, construction of a new bridge on the same site was authorized.

Under agreement dated March 30, 1896, the use of the upper floor of the new structure was leased to The Grand Trunk Railway Company of Canada (now Canadian National Railway Company) during the continuance of the Charter of that Company, and with the exception of provision for increased rental to \$80,000 per annum all the conditions of the former agreement remained unchanged.

The new steel arch bridge also consisted of upper and lower decks, the upper

deck being double tracked, was completed and tested under the supervision of Joseph Hobson, Chief Engineer of the Grand Trunk Railway on July 29, 1897. It was formally opened by appropriate ceremonies on September 24, 1897. The distance from Whirlpool Street, Suspension Bridge, N.Y. to International Boundary is 0.12 miles and from International Boundary to Niagara Falls, Ontario, is 0.13 miles, a total of 0.25 miles.

On October 24, 1929, the name of The Niagara Falls Suspension Bridge Company was changed to "Niagara Lower Arch Bridge Company Limited" effective January 1, 1930, under the Dominion of Canada Companies Act.

The "Niagara Falls Bridge Commission" was created by a joint resolution of the United States Congress as amended July 25, 1939 which authorized the construction and/or acquisition of bridges across the Niagara River between the Cities of Niagara Falls, New York and Niagara Falls, Ontario.

(From Moody's Municipal and Government Manual 1961 - Page 1354)

Under agreement dated January 28, 1959 the Niagara Falls International Bridge Company and the Niagara River Arch Bridge Company in consideration of the premises, of other good and valuable considerations, and the sum of \$1.00, the receipt of which is hereby acknowledged, did assign and set over to the Niagara Falls Bridge Commission the lease and all the rights and privileges of the assignors to the assignees and their successors.

Another agreement dated January 28, 1959 between the Canadian National Railway Company and the Niagara Falls Bridge Commission confirms the validity of the terms of the Agreement of March 30, 1896 between the Niagara Falls International Bridge Company, the Niagara Falls Suspension Bridge Company and the Grand Trunk Railway Company.

COMMISSIONERS:

| | | |
|----------------------|--|----------------|
| <u>United States</u> | W. S. Johnson, J. J. Bingemheimer S. M. Johnson C. P. Stevenson | Vice-President |
| <u>Canada</u> | Charles Daley S. S. McInnes J. N. Allen F. M. Cass | Chairman |

OFFICERS:

C. Ellison Kaumeyer, General Manager and Secretary-Treasurer, Niagara Falls, New York.

FUNDED DEBT:

Revenue 5-³/₄% Bonds, \$20,000,000 dated September 1, 1961, maturing November 1, 2000.

DIMENSIONS, ETC., OF NEW BRIDGE:

| | |
|--|------------|
| Span of Arch | 550 feet |
| Length of end spans, each 115 feet | 230 feet |
| Length of plate girders, each 150 feet | 300 feet |
| Total length of Bridge | 1,080 feet |
| Height of tracks above water | 245 feet |
| Rise of Arch | 114 feet |
| Width of Railway floor | 32 feet |
| Width of Highway floor | 47½ feet |
| Weight of metal in bridge | 3,500 tons |

Work begun on foundations..... April 9th, 1896.

THE NIAGARA, ST. CATHARINES AND TORONTO NAVIGATION COMPANY (LIMITED)
(included in "Canadian National Railway Company" from June 11, 1956)

INCORPORATED: September 14, 1889 - Dominion Letters Patent.
May 27, 1901 - Dominion Supplementary Letters Patent, name changed. (see History).

HISTORY: Under Dominion Letters Patent September 13, 1889 "The Lakeside Navigation Company (Limited)" was incorporated for the purpose of providing water connections between Port Dalhousie and Toronto.

Under Supplementary Letters Patent, May 27, 1901, the name was changed to "The Niagara, St. Catharines and Toronto Navigation Company (Limited)".

The company did not own any vessels but operated an excursion business with two steamers under charter, the "*Dalhousie City*" owned by The Dalhousie Navigation Company, Limited, and the "*Northumberland*" owned by Canadian Government Railways, valued at \$164,594 and \$104,927, respectively.

In November 1924 the Charter was allowed to lapse, but the company was not wound up because its bonds were still outstanding. The service was subsequently operated by its parent company, The Niagara, St. Catharines and Toronto Railway Company.

AMALGAMATION: On June 11, 1956, Canadian National Railway Company, The Niagara, St. Catharines and Toronto Navigation Company (Limited) and 16 other companies were amalgamated into one company under the name "Canadian National Railway Company".

ACCRUED DEPRECIATION:

Prior to amalgamation on June 11, 1956:

| | |
|-------------|--------------|
| Equipment - | \$115,986.23 |
|-------------|--------------|

INVESTMENT IN AFFILIATED COMPANIES:

Prior to amalgamation on June 11, 1956:

| | |
|--|--------------|
| Investment advances to The Niagara, St. Catharines and Toronto Railway Company | \$84,013.77. |
|--|--------------|

CAPITAL STOCK: Prior to amalgamation on June 11, 1956:

| | | | |
|-------------|--------------|------------|-------------------|
| Authorized: | 4,000 shares | - \$25 par | \$100,000 |
| Issued: | 4,000 shares | - \$25 par | 100,000 Unpledged |

All owned by The Niagara, St. Catharines and Toronto Railway Company.

Under the terms of amalgamation agreement with Canadian National Railway Company, dated May 17, 1956, the certificate covering The Niagara, St. Catharines and Toronto Navigation Company (Limited) outstanding capital stock was treated as cancelled.

FUNDED DEBT: As at June 11, 1956 - nil.

The Niagara, St. Catharines and Toronto Navigation Company Limited 5% mortgage gold bonds were secured by Trust Deed dated May 1, 1903 and matured November 1, 1929. Amount authorized and issued \$200,000. This issue was pledged under the mortgage of June 28, 1909, securing the Canadian Northern Ontario Railway Company 4% Perpetual

Consolidated Debenture Stock and Bonds, and were registered in the name of the Canadian National Realities, Limited, in trust for the Canadian Northern Railway Company and were held in the Royal Trust Company vaults subject to the direction of the Minister of Finance.

This mortgage was discharged on March 31, 1955.

THE NIAGARA, ST. CATHARINES AND TORONTO RAILWAY COMPANY
(wholly owned subsidiary of "Canadian National Railway Company")

INCORPORATED: August 11, 1899 - Dominion Act 62 - 63 Victoria, Chapter 77.

HEAD OFFICE: St. Catharines, Ontario.

DECLARATORY: The undertaking was declared to be a work for the general advantage of Canada - Dominion Act 62 - 63 Victoria, Chapter 77, August 11, 1899.

HISTORY: Under Dominion Act 62 - 63 Victoria, Chapter 77, August 11, 1899, "The Niagara, St. Catharines and Toronto Railway Company" was incorporated and empowered to acquire the line of railway heretofore owned by The St. Catharines and Niagara Central Railway Company (Niagara, Hamilton and Pacific Railway Company), and the rights, powers and franchises connected therewith, and to construct and operate extensions thereof to Fort Erie, Toronto and Port Dalhousie. The Company may also construct, acquire and navigate vessels across the Niagara River and Lake Ontario to Toronto and points west of Toronto; construct or acquire wharves, elevators and warehouses in connection therewith; acquire, lease, erect, use, make or manage work, machinery and plant for the generation, transmission, distribution of electric and other power and energy.

The St. Catharines and Niagara Central Railway was acquired in 1899 and subsequently converted from steam to electric power, and extended to Port Dalhousie in 1900.

On March 5, 1902, under agreement authorized by Ontario Act, 1 Edward VII, Chapter 87, April 15, 1901, and Dominion Act 1 Edward VII, Chapter 76, May 23, 1901, approved by Dominion Order in Council dated March 25, 1902, the rights, franchises, powers, property and assets of The Niagara Falls, Wesley Park and Clifton Tramway Company were acquired by The Niagara, St. Catharines and Toronto Railway Company.

On August 1, 1902, under agreement authorized by Dominion Act 1 Edward VII, Chapter 76, May 23, 1901, and Ontario Chapter 93, March 17, 1902, approved by Dominion Order in Council dated August 1, 1902, the rights franchises, powers, assets and properties etc., of The Port Dalhousie St. Catharines and Thorold Electric Street Railway Company (Limited) were acquired by The Niagara, St. Catharines and Toronto Railway Company.

Under Dominion Act 2 Edward VII, Chapter 83, May 15, 1902, the Company was authorized to acquire stock or other securities of The Niagara, St. Catharines and Toronto Navigation Company, Limited.

In 1908, Mackenzie, Mann & Company, Limited (Canadian Northern Railway) interests acquired control of these lines to obtain access to Niagara District.

The Railway was completed and opened for traffic as follows:

| | | | |
|----------|------------------------|-------------------|--------------------|
| Thorold | to Fonthill | 6.72 miles | about July 1, 1906 |
| Fonthill | to Welland | 4.30 miles | July 1, 1907 |
| Welland | to Port Colborne | 7.30 miles | November 17, 1913 |
| Grantham | to Niagara-on-the Lake | <u>4.95</u> miles | January 3, 1914 |

Total - 29.37 miles

The Canadian Northern Ontario Railway Company, on July 13, 1914 purchased 9220 shares of the capital stock of the Niagara, St. Catharines and Toronto Railway from Mackenzie, Mann and Company Limited. They were paid for by the proceeds of the sale of £180,062 sterling, par value, of Canadian Northern Ontario Railway Company 4% Perpetual Consolidated Debenture Stock at 78, which amounts to £140,448, 7s 3d. This block of shares was pledged under the mortgage of June 28, 1909 securing the Canadian Northern Ontario Railway Company 4% Perpetual Consolidated Debenture Stock and Bonds. The remaining 30 shares were purchased from the public at various times and were held by the Canadian National Realities Limited.

In 1924 the local lines in the City of Niagara Falls, Ontario were rehabilitated, and a new street was opened up.

In 1926 the local lines in the City of St. Catharines were completely renewed under the terms of Franchise Agreement dated September 1, 1925.

Under Agreement dated August 12, 1927 the Company leased from Canadian National Railway Company, effective January 1, 1926, 5.43 miles of railway from Port Dalhousie to Merriton, which having been electrified, largely serves the industrial district of St. Catharines.

In July 1928 a new Terminal Station was constructed and opened for operation at Niagara Falls, Ontario, near the Upper Arch Bridge.

On February 1, 1929 a bus service replaced the local service in the City of St. Catharines.

Effective May 31, 1931 Street Railway service between St. Catharines and Thorold over the original line constructed by the St. Catharines, Merriton and Thorold Street Railway Company was discontinued and substituted by a bus service.

On July 7, 1932 a bus service was inaugurated over the Suspension Bridge between Niagara Falls, Ontario and Niagara Falls, New York, and on May 1, 1933 the service was extended locally in Niagara Falls, New York.

The Company does not own its own busses, and instead, uses busses leased from Canadian National Transportation, Limited.

Traffic is interchanged with Canadian National Railways at Merriton, Thorold, Port Colborne and Niagara Falls, Ontario; with The Toronto, Hamilton and Buffalo Railway at Welland; and with The Michigan Central Railway (New York Central Railway) at Niagara Falls, Ontario.

PROPERTY INVESTMENT:

| | |
|---------------------------------|-------------|
| As at December 31, 1955: | |
| Road and equipment | \$4,618,472 |
| Improvements on leased property | 157,967 |

ACCRUED DEPRECIATION:

| | |
|--------------------------|------------|
| As at December 31, 1955: | |
| Equipment | \$ 337,829 |

DONATIONS AND GRANTS:

The Dominion Government granted The St. Catharines and Niagara Central Railway Company \$26,640 in 1888-1889 and \$11,760 in 1890-1891 or a total of \$38,400 under authority of Chapter 24, 1887 in aid of construction (Public Accounts 1944, Appendix "B" Page 11).

LOCATION: Electric railway service owned:
 Port Weller - Port Colborne
 Port Dalhousie - St. Catharines
 Thorold - Niagara Falls, Ontario
 Bus lines in St. Catharines and Niagara Falls, Ontario.
 Leased from Canadian National Railway Company and electrified for operation
 from January 1, 1926 largely serving the industrial district of St. Catharines.
 Port Dalhousie (East) - Merriton - 5.43 miles.

CAPITAL STOCK: As at December 31, 1955:
 Authorized: 10,000 shares - \$100 par value each \$1,000,000
 Issued: 9,250 shares

925,000

All owned by The Canadian Northern Railway Company (now Canadian National Railway Company) at a cost of \$165,747.60 - Unpledged.
 Certificates representing 9,080 shares in the name of National Trust Company Limited and British Empire Trust Company Limited, Trustees, under Trust Deed dated June 28, 1909, made by The Canadian Northern Ontario Railway Company and 140 shares in the name of British Empire Trust Company Limited and National Trust Company Limited, Trustees, with Powers of Attorney in favour of The Canadian Northern Ontario Railway Company attached, and 30 shares in the name of Canadian National Realities, Limited in trust for Canadian Northern Railway Company, are held in Royal Trust Company vaults, Montreal.

LONG-TERM DEBT: As at December 31, 1955:
 Advances due Canadian National Railway Company \$4,304,976

 Under agreement dated December 1, 1960 the Niagara, St. Catharines and Toronto Railway Company was amalgamated with and under the name of the Canadian National Railway Company. This agreement was approved by Order-In-Council P.C. 1960-1641 dated December 1, 1960 and effective December 14, 1960.

NORTHERN ALBERTA RAILWAYS COMPANY
 (Capital Stock wholly owned by Canadian National Railway Company and Canadian Pacific Railway Company in equal shares from July 1, 1929)

Includes:
 The Edmonton, Dunvegan and British Columbia Railway Company
 The Alberta and Great Waterways Railway Company
 Central Canada Railway Company
 Central Canada Express Company, Limited
 The Pembina Valley Railway

INCORPORATED: June 14, 1929 - Dominion Act 19 - 20 George V, Chapter 48.

HEAD OFFICE: Montreal, Quebec.
 Annual meeting of Shareholders - first Tuesday in April. Six directors (three representing Canadian National Railway Company and three representing Canadian Pacific Railway Company), four of whom constitute a quorum. The President is the President of either Canadian National Railway Company or Canadian Pacific Railway Company - alternating

each successive year.

DECLARATORY: The undertaking of the Company was declared to be a work for the general advantage of Canada - Dominion Act 19 - 20 George V, Chapter 48, Schedule "B", June 14, 1929.

THE EDMONTON, DUNVEGAN AND BRITISH COLUMBIA RAILWAY COMPANY

HISTORY: Under Act, 2 George V, Chapter 16, Province of Alberta, passed February 16, 1912 the Alberta Government guaranteed the bonds of the Company for \$20,000 per mile for 350 miles of railway from Edmonton through Dunvegan to the Western boundary of the Province. Negotiations were carried out resulting in the sale of \$7,000,000 4% bonds to Lloyds Bank of London, England.

Construction contracts were entered into by the Railway Company with J. D. McArthur Company Limited, for the construction of the railway, and this was energetically proceeded with so diligently during the years 1912, 1913 and 1914 so that at the end of August 1914, 294 miles of grading were completed, 230 miles of rail laid and 150 miles of telegraph line had been erected and equipped.

Under authority of Act 5 George V, Chapter 42, passed April 8, 1915 the Company was authorized to construct a line through Grand Prairie southerly to Jasper House, and under Act 6 - 7 George V, Chapter 1 passed April 12, 1916 and Act 6 - 7 George V, Chapter 29 passed May 18, 1916 the Dominion Government granted a subsidy of \$384,000 towards the construction of this branch.

This branch was not part of the original scheme as the Grand Prairie District was intended to be served by a branch of the Canadian Northern Railway on which work had stopped in 1915 due to war conditions causing stringent labour and financial difficulties. As large numbers of settlers had moved into the Peace River District the construction of this branch was considered a necessity, and the Provincial Government passed an Act which authorized the guarantee of securities for \$20,000 per mile of this branch as well as for 61 miles of extension from Mile 350 to the western boundary of the Province.

Owing to the poor financial conditions existing at this time it was almost impossible to find a purchaser. Finally the issue was sold at the ridiculously low price of \$4720 per mile. However, the work was proceeded with and because of the difficult terrain construction was difficult; the people of the Grand Prairie District were very dissatisfied with the condition of the line as constructed. A useful purpose was served as large quantities of grain were taken out even if a longer time than was desirable was required to move the grain cars.

The railway was completed and opened for traffic as follows:

| | | | |
|-------------------|------------------|---------------------|------------------|
| Edmonton | to Donnelly | 277.00 miles | March 27, 1915 |
| Donnelly | to Girouxville | 10.00 miles | April 8, 1915 |
| Girouxville | to Spirit River | 70.78 miles | July 3, 1916 |
| Ryecraft Junction | to Grand Prairie | 50.19 miles | July 24, 1916 |
| Grand Prairie | to Wembley | 15.24 miles | December 2, 1924 |
| Wembley | to Hythe | <u>23.57 miles</u> | January 8, 1929 |
| | | 446.98 miles | |

Alberta Act 10 George V, Chapter 6, April 10, 1920, authorized the Lieutenant Governor in Council to enter into an agreement with any company in default in the interest due upon securities guaranteed or held by the Province to appoint a receiver or manager of the undertaking, and to assist The Edmonton, Dunvegan and British Columbia Railway Company and the Central Canada Railway Company, or either of them by permitting a receiver or manager so appointed by the Lieutenant Governor in Council to borrow money not in excess of \$1,000,000 to be raised upon the credit of the Province, any such advance to be secured in such a way as to give it priority over all other liens upon the

undertaking of the railway assisted save priorities specified.

Under the terms of agreement dated July 21, 1920, between (1) The Edmonton, Dunvegan and British Columbia Railway Company and the Central Canada Railway Company, (2) the Minister of Railways and Telephones for the Province of Alberta, (3) J. D. McArthur Company, Limited, and the Union Bank of Canada, (4) the Canadian Pacific Railway Company, and (5) John D. McArthur, the Canadian Pacific Railway Company was appointed manager of the undertaking of the railway companies, by the Lieutenant Governor in Council, for a period of 5 years from July 21, 1920, and thereafter until 3 months notice be given by either the Government or the Canadian Pacific Railway Company. A copy of the Agreement forms part of the Schedule to Alberta Act, 11 George V, Chapter 56, April 19, 1921, ratifying and confirming the Agreement.

The Agreement mentioned that (1) default existed in the payment of interest due upon debenture stock and bonds of The Edmonton, Dunvegan and British Columbia Railway Company guaranteed by the Province, also in the payment of interest due upon a loan made by the Province to Central Canada Railway Company, secured by a mortgage upon the undertaking of the Central Canada Railway Company and guaranteed by The Edmonton, Dunvegan and British Columbia Railway Company, (2) in addition to the aforementioned debenture stock and bonds of The Edmonton, Dunvegan and British Columbia Railway Company that Company made an issue of \$2,400,000 debenture stock secured by a trust indenture dated March 26, 1919, which stock was issued at par in payment of certain advances to the railway, all of which debenture stock was then held by the Union Bank of Canada as pledges of J. D. McArthur Company, Limited, and that the Union Bank of Canada and J. D. McArthur Company Limited, at the request of the other parties to the agreement, joined in the agreement for the purpose of postponing their rights so as to cause the same to rank after the security then granted by the railway companies to the Government with respect to further sums which the Government agreed to advance through the manager for the purpose of eliminating the then deferred maintenance and to bring the lines up to a reasonable standard of operating efficiency to ensure a satisfactory public service. John D. McArthur, who was then President of The Edmonton, Dunvegan and British Columbia Railway Company and the Central Canadian Railway Company, was also the absolute owner of all the shares of both railway companies, excepting only the qualifying shares held by the directors.

Alberta Act 12 George V, Chapter 41, March 28, 1922, authorized extension of the line from Grand Prairie to Wembley, a distance of approximately 15 miles.

Dominion Act 12 - 13 George V Chapter 57, June 28, 1922, authorized extension of the line from Grand Prairie in a general westerly direction for a distance of fifty miles, more or less.

Alberta Act 16 - 17 George V Chapter 61, April 8, 1926, granted power to the Lieutenant Governor in Council to raise money for capital expenditure upon and for re-conditioning of The Edmonton, Dunvegan and British Columbia Railway and the Central Canada Railway and, subject to mortgage security, to lend such money to the companies owning such railways. The Lieutenant Governor in Council was also empowered to acquire any shares, stock, bonds, or other securities of the said railway companies and to raise by way of loan such sum of money as might be necessary for the purchase of the same, provided that any sum so raised should not exceed \$1,300,000. The Act came into force on July 24, 1926 by Proclamation.

The period of management of The Edmonton, Dunvegan and British Columbia Railway and the Central Canada Railway was terminated in August 1926 when the Provincial Government notified the Canadian Pacific Railway Company that the contract was terminated and the Government would take over full control.

Alberta Act 17 George V, Chapter 65, April 2, 1927, cites that pursuant to the provisions of Chapter 61, 1926, the Lieutenant Governor in Council acquired certain shares and securities of The Edmonton, Dunvegan and British Columbia Railway Company as follows: (1) 2,500 shares of common stock being all of the common stock issued by the Company, (2) an issue of \$2,400,000 debenture stock secured by a Trust Debenture dated March 26, 1919,

and

6,250 shares of the common stock of the Central Canada Railway Company being all of the common stock issued by the Company.

The price paid for all the shares, stock and securities acquired was \$1,275,000.

By direction of the Lieutenant Governor in Council, 20 shares of The Edmonton, Dunvegan and British Columbia Railway Company and 10 shares of the Central Canada Railway Company were transferred to each of 5 Directors as Nominees of and Trustees for the Government. The Act ratified and confirmed the acquisition of the shares and securities mentioned and placed the operation and control of the two railways in the hands of the Directors nominated by the Lieutenant Governor in Council, and directed that all shares in either of the companies, other than shares held by the 5 Directors as qualifying shares, be transferred to the Minister of Railways and Telephones to be held by him in trust for the Government.

Alberta Act 18 George V Chapter 62, March 21, 1928, authorized extension of the Grand Prairie Branch from Wembley to Hythe, a distance of 25 miles.

By agreement of February 6, 1929, between the Province of Alberta and the Canadian National Railway Company and the Canadian Pacific Railway Company (ratified by Alberta Act, 19 George V, Chapter 55, March 20, 1929 which includes a copy of the agreement), a copy of which agreement forms Schedule "A" of Dominion Act 19 - 20 George V, Chapter 48, June 14, 1929 under which Northern Alberta Railways Company was incorporated, the Canadian National Railway Company and the Canadian Pacific Railway Company acquired the undertakings of:

The Edmonton, Dunvegan and British Columbia Railway Company,
The Alberta and Great Waterways Railway Company,
Central Canada Railway Company,
Central Canada Express Company, Limited,
The Pembina Valley Railway,

and the capital stocks of the four companies, from the Province of Alberta. The total purchase price was \$25,947,371.74 payable partly in cash and partly by assumption of funded debt which was paid off in 1942 and 1944 as the obligations matured. The property was taken over effective July 1, 1929.

DONATIONS AND GRANTS:

Subsidy by Dominion Government: \$338,382

ACCOUNTING:

Company inactive. Property transferred July 1, 1929 to Northern Alberta Railways Company, which now owns and operates the railway.

CAPITAL STOCK:

As at December 31, 1956:

Issued: 2,500 shares of \$100 each \$250,000

All owned by Northern Alberta Railways Company. Certificate representing 2,400 shares in the name of Northern Alberta Railways Company and 5 certificates representing 20 shares each, in the names of five directors are held.

"THE ALBERTA AND GREAT WATERWAYS RAILWAY COMPANY"

HISTORY:

Under Alberta Act, 9 Edward VII, Chapter 46, February 25, 1909, "The Alberta and Great Waterways Railway Company" was incorporated to construct and operate a railway from Edmonton to Lac La Biche, thence to Fort McMurray, etc.

Under authority of Alberta Act 9 Edward VII, Chapter 16, February 25, 1909, the Province of Alberta guaranteed the payment of the principal and interest of bonds of the Company. The Company defaulted in the payment of interest on the guaranteed bonds and Alberta Chapter 54, April 19, 1921, confirmed an agreement dated July 23, 1920, (a copy of which forms the Schedule to the Act) between the Minister of Railways and Telephones for the Province of Alberta and John D. McArthur who owned or controlled all of the shares of the issued capital stock of The Alberta and Great Waterways Railway Company, whereby ownership of the capital stock was transferred to and vested in the Minister of Railways and Telephones or his nominees.

Alberta Act 11 George V, Chapter 54, April 19, 1921 also confirmed the appointment of the Honourable Charles Stewart as president, and four others as directors to have full control of the affairs of the Company. The Act declared all the shares of the issued capital stock to be vested in the Minister of Railways and Telephones or his nominees, and also provided that no annual meeting of the Company be required to be held during the period of option granted to John D. McArthur respecting his right to acquire the capital stock, which was exercisable up to July 1, 1927.

LOANS:

Provincial loans were provided by the Alberta Government as follows:

| | | |
|--------------------------------|----------------|---------------|
| Act 12 George V, Chapter 39 | March 28, 1922 | \$ 574,456.00 |
| Act 15 George V, Chapter 53 | April 26, 1925 | 130,000.00 |
| Act 16-17 George V, Chapter 60 | April 8, 1926 | 186,000.00 |
| Act 17 George V, Chapter 68 | April 2, 1927 | 416,787.50 |

The road was completed and opened for traffic as follows:

| | | | |
|--------------|-----------------|---------------------|--------------|
| Carbondale | to Lac la Biche | 113.09 miles | July 1, 1916 |
| Lac la Biche | to Waterways | <u>172.76 miles</u> | July 1, 1923 |
| Total - | | 285.85 miles | |

By agreement of February 6, 1929, between the Province of Alberta and the Canadian National Railway Company and the Canadian Pacific Railway Company (ratified by Alberta Act 19 George V, Chapter 55, March 20, 1929 which includes a copy of the agreement), a copy of which agreement forms Schedule "A" of Dominion Chapter 48, June 14, 1929 under which Northern Alberta Railways Company was incorporated, the Canadian National Railway Company and the Canadian Pacific Railway Company acquired the undertakings of:

The Edmonton, Dunvegan and British Columbia Railway Company,
The Alberta and Great Waterways Railway Company,
Central Canada Railway Company,
Central Canada Express Company, Limited,
The Pembina Valley Railway.

and the capital stocks of the four companies, from the Province of Alberta. The total purchase price was \$25,947,371.74 payable partly in cash and partly by assumption of funded debt which was paid off in 1942 and 1944 as the obligations matured. The property was taken over effective July 1, 1929.

DONATIONS AND GRANTS:

Land Grant 2542 Acres.

ACCOUNTING: Company inactive. Property transferred July 1, 1929 to Northern Alberta Railways Company (Parent Company) which now owns and operates the railway.

CAPITAL STOCK: As at December 31, 1956:
Issued: 500 shares of \$100 each \$ 50,000
All owned by Northern Alberta Railways Company. Certificate representing 450 shares in the name of the Northern Alberta Railways Company and 5 certificates covering 10 shares each, in the name of five directors are held.

FUNDED DEBT: First Mortgage 5% Debentures due January 1, 1959 \$7,400,000
By agreement dated February 6, 1929, ratified by Alberta Chapter 55, 1929, the Province of Alberta undertook to pay the principal and interest as they respectively fall due, and indemnify and save harmless the purchasers (C.N.R. and C.P.R.) and the property and undertakings of the Company against all liability in connection therewith.

"CENTRAL CANADA RAILWAY COMPANY"

HISTORY: Under Alberta Act 3 George V, Chapter 46, March 25, 1913, "Central Canada Railway Company" was incorporated to construct and operate a railway from a point in Townships 74 or 75, Range 18 or 19, west 5th Meridian, to Peace River Landing; thence westerly to Township 81, Range 4, west 6th Meridian, etc., etc.

Under authority of Alberta Act 4 George V, Chapters 7, October 22, 1913 (2) Act, 5 George V, October 22, and 28, 1914, the Province of Alberta guaranteed the payment of the principal and interest of certain securities of the Company, the guarantee being secured by mortgage upon the property, etc.

Alberta Act 5 George V, Chapter 29 October 22, 1914, and Act 5 George V, Chapter 19, April 17, 1915, authorized the Province of Alberta, to advance up to 80% of the cost of construction of the line from The Edmonton, Dunvegan and British Columbia Railway to Peace River Landing, pending sale of Company securities, such advance to be secured by bond guaranteed by The Edmonton, Dunvegan and British Columbia Railway Company, and by first mortgage on the property, etc.

Alberta Act 12 George V, Chapter 40, March 21, 1922, authorized construction of a line westward from mile 72.2 for a distance of 13 miles.

Alberta Act 18 George V, Chapter 65, March 21, 1928, authorized extension of the line from mile 85.3 westward for a distance of 15 miles.

The Railway was completed and opened for traffic as follows:

| | | | |
|---------------|----------------|--------------------|------------------|
| Winagami | to Peace River | 48.50 miles | January 31, 1917 |
| Peace River | to Berwyn | 23.54 miles | October 1, 1922 |
| Berwyn | to Whitelaw | 13.00 miles | October 27, 1925 |
| Whitelaw | to Fairview | <u>12.36 miles</u> | October 1, 1928 |
| Total, | | 97.40 miles | |

See under "The Edmonton, Dunvegan and British Columbia Railway Company" for further information which applies to both companies, including the acquisition of control of the property and capital stock by Canadian National and Canadian Pacific Railways in 1929.

DONATIONS AND GRANTS:

Dominion of Canada \$175,000

| | |
|---------------------|------------------|
| Province of Alberta | <u>\$175,000</u> |
| Total, | \$350,000 |
| Land Grant | 708 Acres |

ACCOUNTING: Company inactive. Property transferred July 1, 1929 to Northern Alberta Railways Company, which now owns and operates the railway.

"CENTRAL CANADA EXPRESS COMPANY, LIMITED"

HISTORY: Under Dominion Letters Patent dated October 21, 1915 "Central Canada Express Company, Limited", was incorporated.

Under Agreement of February 6, 1929 referred to under "The Edmonton, Dunvegan and British Columbia Railway Company" the Canadian National and Canadian Pacific Railways acquired the undertaking and capital stock of the Company effective July 1, 1929.

ACCOUNTING: Company inactive. Property transferred July 1, 1929 to Northern Alberta Railways Company, which now owns and operates the railway.

CAPITAL STOCK: As at December 31, 1956:

| | | |
|-------------|-----------------------|-----------|
| Authorized: | 1,000 shares of \$100 | \$100,000 |
| Issued: | 100 shares of \$100 | \$ 10,000 |

All owned by Northern Alberta Railways Company.

"THE PEMBINA VALLEY RAILWAY"
(not an incorporated Company)

HISTORY: Alberta Act, 16 George V, Chapter 62, April 8, 1926, authorized the Government of Alberta to construct and operate a railway from a point upon or near The Edmonton, Dunvegan and British Columbia Railway in townships 57, 58, or 59, ranges 26 or 27, west of the 4th. meridian in a general westerly or northwesterly direction to a point in townships 58 or 59, range 4, west of the 5th. meridian, the name of the railway and any future extension thereof to be "The Pembina Valley Railway".

A line was constructed from Busby, Alberta to Barrhead, Alberta, 26.51 miles and opened for traffic on July 1, 1927.

Under Agreement of February 6, 1929, between the Province of Alberta and The Canadian National Railway Company and the Canadian Pacific Railway Company (ratified by Alberta Chapter 55, March 20, 1929 which includes a copy of the agreement), a copy of which agreement forms Schedule "A" of Dominion Act 19-20 George V, Chapter 48, June 14, 1929 under which Northern Alberta Railways Company was incorporated, the Canadian National Railway Company and the Canadian Pacific Railway Company acquired the undertakings of:

The Edmonton, Dunvegan and British Columbia Railway Company,
The Alberta and Great Waterways Railway Company,
Central Canada Railway Company,
Central Canada Express Company, Limited,
The Pembina Valley Railway,

from the Province of Alberta. The total purchase price was \$25,947,371.74 payable partly in cash and partly by assumption of funded debt which was paid off in 1942 and

1944 as the obligations matured. The property was taken over effective July 1, 1929.

LOCATION: See Northern Alberta Railways Company

DONATIONS AND GRANTS:
Built by the Alberta Government

ACCOUNTING: Property transferred July 1, 1929 to Northern Alberta Railways Company, which now owns and operates the railway.

"NORTHERN ALBERTA RAILWAYS COMPANY"

HISTORY: Under Dominion Act 19 - 20 George V, Chapter 48, June 14, 1929, "Northern Alberta Railways Company" was incorporated to acquire by purchase from Canadian National Railway Company and Canadian Pacific Railway Company and thereafter hold and operate the railways and undertakings of:
The Edmonton, Dunvegan and British Columbia Railway Company,
The Alberta and Great Waterways Railway Company,
Central Canada Railway Company,
Central Canada Express Company, Limited,
and of the Crown in the right of the Province of Alberta in respect of The Pembina Valley Railway, upon the terms of agreement dated February 6, 1929, between the Province of Alberta, of the One Part, and the Canadian Pacific Railway Company and the Canadian National Railway Company, of the Other Part. A copy of the said agreement forms Schedule "A" of Alberta Act 19 VIC Chapter 55, March 20, 1929, which ratified the agreement. The Act also empowered the Company to construct the extension from Wembley to Dawson Creek, a distance of 73.49 miles, and the extension from Whitelaw to Hines Creek, a distance of 29.66 miles.

The railway was completed and opened for traffic as follows:

| | | | |
|----------|-----------------|--------------------|------------------|
| Fairview | to Hines Creek | 16.30 miles | December 5, 1930 |
| Hythe | to Dawson Creek | <u>49.92 miles</u> | January 13, 1931 |
| | Total | 66.22 miles | |

The Province of Alberta acquired the Capital Stock of The Edmonton, Dunvegan and British Columbia Railway Company, The Alberta and Great Waterways Railway Company, the Central Canada Railway Company and the Central Canada Express Company, Limited, by reason of default on the part of these companies in payment of interest on securities guaranteed by the Province. The Province also owned The Pembina Valley Railway which it had constructed.

By agreement dated January 29, 1929, a copy of which forms Schedule "C" of above mentioned Act, the Canadian Pacific Railway Company and the Canadian National Railway Company undertook to join in the purchase of The Edmonton, Dunvegan and British Columbia Railway, Company, The Alberta and Great Waterways Railway Company, the Central Canada Railway Company, the Central Canada Express Company, Limited, and The Pembina Valley Railway upon the terms set out in the correspondence between the President of the Canadian Pacific and the Premier of Alberta, dated September 17, 19 and 28, 1928, each Company assuming the payment of one-half of the purchase price payable (with interest), and one-half of the obligations to be assumed by the purchasers, and being entitled to one-half of the benefits to be derived therefrom. As a convenient method of carrying out this agreement the Northern Alberta Railways Company was formed to take over the undertakings and operate them for the mutual

benefit of the owning Companies, the capital of new Company being supplied by the two Companies in equal shares.

By agreement of February 6, 1929, between the Province of Alberta and the Canadian National Railway Company and the Canadian Pacific Railway Company the terms of purchase were specified as \$15,580,000 payable in three instalments, and assumption of the funded debt of The Edmonton, Dunvegan and British Columbia Railway Company (\$9,420,000) as well as undertaking to complete construction of extensions from Wembley to Hythe and from Whitelaw to the Water Hole District, about 40 miles, and to pay the Province the amount expended thereon to date of delivery. The sum of \$947,371.74 was eventually paid to the Province on this account, making the total purchase price \$25,947,371.74.

The Province indemnifies the purchasers against all liability with respect to the First Mortgage 5% Debentures of The Alberta and Great Waterways Railway Company, total \$7,400,000 due January 1, 1959.

The agreement also provided for adjustment of working capital as of date of delivery after striking a balance as between current assets and current liabilities, any surplus to be paid to the Province and any deficit to be paid by the Province. The resultant balance was \$152,333 in favour of the Province.

The Company has a General Manager, Auditor, and Treasurer who are not officers or employees of either of the parent companies, but their discretion is quite limited except in ordinary matters. The real control under the Board of Directors lies in the hands of an Operating Committee comprising the Vice-President, Western Region, Canadian National Railway Company, and Vice-President, Western Lines, Canadian Pacific Railway Company, and a Finance and Accounting Committee composed of a Finance Section, and an Accounting Section. The respective Heads of the Finance Department of the parent companies comprise the Finance Section, and the respective Heads of the Accounting Department of the parent companies comprise the Accounting Section. The Chairman of each Section alternates every two years, and during the years in which the Chairman of one Section is the representative of one parent company, the Chairman of the other Section is the representative of the other parent company.

POWERS OF COMPANY:

May issue bonds, debentures or other securities to an amount which, together with outstanding securities issued by The Edmonton, Dunvegan and British Columbia Railway Company, the Central Canada Railway Company, The Alberta and Great Waterways Railway Company or the Province of Alberta in respect of any of the said undertakings or in respect of The Pembina Valley Railway, shall at no time exceed the sum of \$50,000 per mile of railway constructed or under contract to be constructed.

For the purposes of its undertaking may acquire, construct and operate parks, wharves, docks, steam and other ferries, boats, vessels, motor vehicles, aeroplanes and other motor transport as the Company deems requisite in connection with its undertakings, and may enter into agreements for any of such purposes.

Subject to the provisions of the Railway Act may generate, acquire, use, transmit and distribute electric and other power and energy, and may acquire and develop water powers, and for the purpose of such generation, acquisition, use, development, transmission and distribution, may construct, acquire, operate and maintain lines for the conveyance of light, heat, power and electricity.

Subject to the provisions of the Railway Act may construct and operate wireless stations, telegraph and telephone plants and lines and all incidental facilities in connection therewith upon its railway for the purposes of its undertaking, and to transmit messages thereby for the public and to collect tolls therefor.

For the purpose of its undertaking may construct or acquire buildings by purchase or lease, and operate for hotels or restaurants said buildings along its line of railway.

May lease or otherwise acquire timber berths, timber licenses, mineral lands and mining rights, and carry on the business of lumbermen, timber merchants and manufactures of timber and lumber in all its branches, and may acquire, work and operate mineral lands and mineral rights held by the Company.

Under the terms of agreement between the Canadian National Railway Company and Canadian Pacific Railway Company dated January 29, 1929, which forms Schedule "C" of the Act of Incorporation, neither company is permitted to solicit the routing of outbound competitive traffic over their respective lines, but the Northern Alberta Railways Company is required to route outbound freight traffic destined via Edmonton or Morinville to competitive points on or beyond the lines of the parent companies in such a way that each of the parent companies shall receive on a revenue basis one-half of such outbound traffic including traffic routed by shipper as well as traffic unrouted by shipper. Comparisons on a revenue basis of the traffic so received by each of the parent companies is made monthly and any inequalities of division in any month is rectified in succeeding months. Express traffic and telegraph traffic, respectively, originating on the Northern Alberta Railways and destined to competitive points on or beyond the lines of the parent companies are dealt with separately and similarly divided.

The Northern Alberta Railways has the right to use such tracks and terminal facilities of the parent companies at Edmonton, at reasonable terms agreed upon, as will permit it to interchange interline freight traffic; to reach the passenger terminals and facilities to permit handling of mail, passenger and express business; to reach the main freight sheds and main team track yards, to permit of the handling of local freight, or to reach freight sheds and team tracks which the Northern Alberta Railways may establish at Edmonton; to reach with its own telegraph or telephone wires, the passenger stations and the dispatching or telegraph or telephone offices of the proprietary companies as well as its own telegraph or telephone stations; and to reach the Dominion Government grain elevator or any other grain elevator in which grain may be stored in transit.

FINANCIAL ARRANGEMENTS:

In accordance with powers granted the Company, the Directors authorized the issuance of First Mortgage Bonds bearing interest at 5% per annum, maturing February 1, 1980, to meet the purchase instalments, to retire funded debt of the former corporations assumed at the time of purchase, and to defray the cost of railway extensions and other capital expenditures. The proprietary Companies purchased the bonds at par.

The funded debt of The Edmonton, Dunvegan and British Columbia Railway Company, totalling \$9,420,000 at time of purchase consisted of \$7,000,000 First Mortgage 4% Debenture Stock due February 16, 1942, and \$2,420,000 First Mortgage 4½% Gold Bonds due October 22, 1944. These liabilities were liquidated at maturity.

The parent Companies contribute the amount of the operating deficit, if any, each year. Prior to January 1, 1948, they also contributed equally to the extent that bond interest was unearned each year to enable the Northern Alberta Railways to pay the full amount of interest, including the amount due the parent companies, on the 5% First Mortgage Bonds. The earnings of the Company were sufficient to meet interest charges on its funded debt in 1942 and 1943 only when there was exceptionally heavy traffic during construction of the Alaska Highway.

As authorized by Minute of the Board of Directors on June 25, 1948, and with the approval of both parent companies, the rate of interest payable on the First Mortgage

Bonds now or hereafter outstanding was temporarily reduced from 5% to 4% per annum effective January 1, 1948, subject to restoration to the original 5% at the request of either parent company.

Also:

In accordance with recommendation of the Northern Alberta Railways Finance and Accounting Committee at meeting held January 11, 1949, the parent companies agreed that effective January 1, 1948, they would waive the bond interest due them to the extent that such bond interest was unearned each year (rather than require the parent companies to advance funds to enable the Northern Alberta Railways in turn to pay the parent companies a similar amount representing bond interest) subject to the understanding that if in any future year the Northern Alberta Railways shall have a surplus from operation before payment of bond interest, such surplus shall be paid to the parent companies in reimbursement of the payment made by them in prior years for operating deficits, and that when these shall have been repaid any remaining operating surplus shall apply in payment of the then current year's bonds interest, any excess to be applied to pay arrears of bond interest applicable to prior years.

DONATIONS AND GRANTS:

Subsidies were (Statistics of Steam Railways of Canada - 1938, Page 70):

Cash Subsidies:

| | <u>Dominion</u> | <u>Alberta</u> | <u>Total</u> |
|---|------------------|------------------|------------------|
| Central Canada Railway | | | |
| Peace River Bridge | \$175,000 | \$175,000 | \$350,000 |
| Edmonton, Dunvegan & British Columbia Railway | <u>\$338,382</u> | | <u>338,382</u> |
| | \$513,382 | \$175,000 | \$688,382 |

LAND GRANTS:

| | <u>Dominion</u> <u>(acres)</u> | Province of <u>Alberta</u> <u>(acres)</u> | <u>Total</u> <u>(acres)</u> |
|---|-----------------------------------|---|--------------------------------|
| Northern Alberta Railways | 22.59 | 85.04 | 107.63 |
| Alberta & Great Waterways Railway | 2,541.99 | | 2,541.99 |
| Central Canada Railway | 708.27 | | 708.27 |
| Edmonton, Dunvegan & British Columbia Railway - | | | |
| Main Line | 2,896.06 | | 2,896.06 |
| Grand Prairie Branch | <u>327.57</u> | | <u>327.57</u> |
| | 6,496.48 | 85.04 | 6,581.52 |

LOCATION:

SUMMARY OF MILEAGE

| | | |
|-------------------|-----------------|---------------------|
| Edmonton | to Spirit River | 357.78 miles |
| Ryecraft Junction | to Dawson Creek | 139.12 miles |
| Winagami | to Hines Creek | 113.70 miles |
| Carbondale | to Waterways | 285.85 miles |
| Busby Junction | to Barrhead | <u>26.51 miles</u> |
| | Total | 922.96 miles |

ACCOUNTING:

Income Statements, Balance Sheets, Profit and Loss Statements, and Annual Reports, compiled by Company's Auditor, Edmonton.

CAPITAL STOCK:

As at December 31, 1960:

| | | |
|-------------|---------------------------------------|--------------|
| Authorized: | 250,000 shares - par value \$100 each | \$25,000,000 |
| Issued: | 168,000 shares | 16,880,000 |

| | |
|------------------------------|-------------|
| 84,400 shares held by C.N.R. | \$8,440,000 |
| | (unpledged) |

Certificate covering 84,400 shares in the name of Canadian National Railway Company and three certificates covering 20 shares each in the names of Three Directors appointed by C.N.R. are held in Royal Trust Company vaults, Montreal.

| | |
|------------------------------|-------------|
| 84,400 shares held by C.P.R. | \$8,440,000 |
|------------------------------|-------------|

Prior to 1948 only \$6,250,000 capital stock was issued of which 10% or \$625,000 was paid up. With a view to improvement of the capital structure and as authorized by Minute of the Board of Directors on June 25, 1948, the unpaid balance of 90% (\$5,625,000) of the then outstanding shares was called and additional \$6,250,000 was issued and paid for at par. In December 1951, under the same authority an additional \$250,000 was issued and paid for at par.

FUNDED DEBT:

As at December 31, 1960:

| | |
|--|---------------------|
| 5% First Mortgage Bonds maturing February 1, 1980, fully registered in name of Canadian National Railway Company and held in Royal Trust Company vaults. | \$16,702,500 |
| 5% First Mortgage Bonds maturing February 1, 1980, held by C.P.R. | <u>16,702,500</u> |
| | \$33,405,000 |

ASSETS:

Balance Sheet as of December 31, 1960:

| | |
|---------------------|---------------------|
| Property Investment | \$54,411,013 |
| Current Assets | 4,128,680 |
| Deferred Assets | 84,673 |
| Unadjusted Debts | <u>92,339</u> |
| Total | \$58,716,705 |

LIABILITIES:

| | |
|--------------------------|---------------------|
| Capital Stock | 16,880,000 |
| Funded Debt | 33,405,000 |
| Due Affiliated Companies | 600,000 |
| Current Liabilities | 1,142,344 |
| Depreciation reserve | 6,676,434 |
| Unadjusted Credits | 4,343 |
| Deferred Liabilities | <u>8,584</u> |
| Total | \$58,716,705 |

DIRECTORS:

N. R. Crump
N. J. MacMillan
R. H. Tarr
R. A. Emerson
Donald Gordon
H. C. Reid

OFFICERS:

| | |
|---------------|-----------------|
| N. R. Crump | President |
| Donald Gordon | Vice-President |
| R. H. Tarr | Secretary |
| J. F. Cooper | General Manager |
| C. Anderson | Auditor |
| C. J. Cobb | Treasurer |