

**Pacific Coast Coal Company  
Coal Department**

Gross earnings (decrease) .....	\$316,731.65
Operating expenses (decrease) .....	214,197.97
Net earnings (decrease) .....	102,533.68

The total output of the mines during the year was 709,262 tons, which includes 16,116 tons from mines under development—a decrease of 28,493 tons as compared with previous year.

The amount of coal sold at all depots was as follows:

From company mines, tons .....	671,290
Other domestic coal, tons .....	12,129
Foreign coal, tons .....	68,616

Total, tons .....

—a decrease of 81,769 tons under last year.

The decreased output and sales was partly on account of depressed business conditions and partly on account of competition of California Fuel Oil, which has been selling very cheap during the past year. A large number of steamers have been converted to oil burners and a number of railroads are now using oil fuel on their Pacific Coast divisions.

Increased competition forced a decrease of 24.5 cents per ton in gross receipts. By strict economy in operation of mines, the average cost of output was reduced 16.6 cents per ton.

October 23, 1911, the company sold its coal business at San Francisco to the Western Fuel Company. The San Francisco depot dealt almost entirely in Australian and other foreign coals and there was not sufficient profit in the business to warrant the investment necessary to carry it on.

If business conditions improve the Coal Sales Department expects to show an increase in sales of domestic coal during the fiscal year.

There were no serious property accidents at the mines during the year.

**Lumber Department**

Lumber business shows a decrease over previous year as follows:

Gross earnings (decrease) .....	\$4,325.44
Operating expenses (increase) .....	1,727.87
Net earnings (decrease) .....	6,053.31

Sales were somewhat lighter and prices slightly lower than last year.

J. C. FORD,  
Vice-President and General Manager.

**ANNUAL REPORT OF NORTHERN PACIFIC RAILWAY  
COMPANY**

Howard Elliott, president of the Northern Pacific Railway Company, in the annual report of this company for the fiscal year ending June 30th, 1912, states as follows:

"During the fiscal year business in the territory served by the Northern Pacific Company's lines was quiet; the lumber business, which is an important part of the tonnage handled by your company, was smaller than for several years past. That freight earnings did not show a decrease in spite of the generally dull business in many lines is due to the fact that there were 21,639 more cars of grain delivered at important terminals this year than last.

The fall in passenger earnings was very marked, \$1,935,060.47. This heavy decrease was the result of several causes. General conditions were such that people felt poor, and were much more careful about expenditures than during the past three years. The Chicago, Milwaukee & St. Paul Company on May 29, 1911, established double daily passenger train service between Chicago and Puget Sound points via St. Paul. These trains making 1,464 trips during the year, naturally took a very considerable proportion of the business that they did from the Northern Pacific, not only the long-haul through business, but much intermediate business handled heretofore exclusively by this company. The passenger business moving between Portland, Tacoma and Seattle and intermediate points over the line of your company, leased to the Union Pacific and Great Northern, is gradually being divided up more nearly into equal parts between the three companies using the property. The equalizing process results in loss to the Northern Pacific that formerly handled all of the business. There was also greater competition than ever before in the Gray's Harbor and Yakima Valley districts in the State of Washington. There is little doubt also but that the growing use of the automobile has had its effect on the volume of passenger

business. The latest figures for registration of automobiles shows that there are, not counting commercial vehicles, 827,284 automobiles in the United States, or about one for every 115 people, and in the states served by your company, one automobile for about every 90 people. This results in considerable decrease in the short travel on the railroad, and also has had the effect of reducing the volume of pleasure travel, temporarily at least, because people of moderate means cannot own automobiles and also make trips to the mountains, parks and lakes. The same causes that affected passenger earnings caused reductions and other sources of revenue.

During the year arrangements were completed with the Chicago & Northwestern Railway Company whereby the passenger train known as the 'North Coast Limited,' formerly operated between St. Paul and Minneapolis and Puget Sound cities and Portland, was run through between Chicago and Pacific Coast terminals. This arrangement will offset in part the competition of the double daily service of the Chicago, Milwaukee & St. Paul Railway and it is thought will increase the movement of business, both freight and passenger, between the territory served by the Northern Pacific and Northwestern roads. The results of the operation of the train, which was established December 17, have been very satisfactory up to the present time.

The winter was a long and severe one, entailing rather more expense than usual. In spite of that, however, there was a reduction in the cost of conducting transportation of \$845,090.73, due to the ability of the company to increase its revenue train load from 461.45 tons to 510.54 tons, with a consequent reduction in freight train mileage of 475,172 miles. The passenger train mileage was 24,891 less than for the fiscal year ending June 30, 1911, and 1,219,443 miles less than for the year ending June 30, 1910.

Your attention is called to the taxes paid, which show an increase of \$442,281.88. The total taxes amount to 5.9 per cent of the gross earnings and 14.6 per cent of the net earnings of the company.

The outlook for general business for the coming year in all of the states served by your company is extremely good. The crops of grains, grasses and fruits have never been better than they are this year, and there is a marked increase in the movement of lumber and manufactured articles."

**PUGET SOUND TRACTION, LIGHT & POWER CO.**

This company does or controls through stock ownership or lease substantially all the electric street and interurban railway and the commercial electric lighting and power business in the Puget Sound district, including the cities of Seattle, Tacoma, Bellingham and Everett, Washington. The company owns or controls hydro-electric power plants with a present development of 74,000 horsepower and an ultimate development of 175,000 horsepower; steam stations with a present capacity of 36,000 horsepower and street and interurban railways aggregating 464.6 miles of equivalent single track. Population served approximates 400,000.

Gross earnings for 1912 (partially estimated)...\$8,369,000  
Net earnings, after deducting all charges..... 1,616,000  
Required for dividends on \$9,785,000 preferred stock ..... 587,100  
Earnings are over two and one-half times the amount required to pay 6 per cent dividends on the preferred stock. Dividends at the rate of 4 per cent are being paid on \$18,530,900 common stock.

**REDUCTION IN HONOLULU RATES**

The Pacific Mail Steamship Company advises that effective with the sailing from San Francisco of the steamship "Korea" October 12, 1912, the rates for first-class passage between San Francisco and Honolulu in inside rooms on the saloon deck on steamships "Mongolia," "Manchuria," "Korea" and Siberia" will be reduced to \$65 per berth single trip and \$110 round trip, the latter good for four months. Outside rooms on this deck will remain \$75 per berth single trip and \$135 round trip.

The return portions of round trip tickets are also good for passage by steamers of the Oceanic Steamship Company and the Matson Navigation Company.