

by the Great Western could have taken your business; but the uncertainty as to their intentions, and the time at which they could be ready for the route, prevented any arrangement being made with them for the Spring business; and when, late in June, they commenced their regular trips, the determined hostility displayed by their owners towards your interests, made it impossible to rely upon any arrangement with them, without placing the power in their hands to divert your most important trade to their own route,—an object which, it is evident, they would omit no opportunity to effect.

The chartering or owning of steamers by a railroad company is usually looked upon unfavourably; and it cannot be doubted but that such a course is only to be justified by a strong necessity. I apprehend, however, that, in the present instance, such a necessity has been clearly shown to exist, and that it will be admitted on all hands that it would have been futile to attempt the diversion of any portion of so important a trade from its accustomed channels, or to shew the advantages offered by a new and untried route, in opposition to the interests of every forwarder in the business, whose arrangements, feelings, and interests are all enlisted in opposite channels, without some such effort being made.

As regards the selection of boats for your business, I may state that they were all well known in the Michigan and Buffalo trade and in high favour with those engaged in it, and that their withdrawal from that business and from Lake Erie has had, as was expected, the effect of diverting a portion of their business on those Lakes to the Georgian Bay.

It has been my object in managing the traffic of your road, in connection with the steamers, to effect such an apportionment of the through rates as would be fair and