

DIRECTORS' REPORT.

TORONTO, FEBRUARY 8th, 1860.

To the Proprietors of the Northern Railway of Canada :

THE Directors beg leave to submit their annual report of the proceedings of the Company, together with the annual reports of the Secretary, Superintendent, Engineer, and Auditors.

It will be in the recollection of the Company that due to the embarrassments by which it was surrounded, an appeal to the Legislature became necessary for such relief in respect of the Provincial Loan, and such extended powers in regard to capital, as would enable it to re-establish its financial credit, and the efficient and profitable operation of its line, now so essential an element in the commercial transactions of the Western Province.

Although the concessions made by the Government and Legislature by the act of last session, and the order of Council founded thereon, were not such as your Directors felt it their duty to urge, nor such as precedent had induced them to anticipate, yet effecting, as they did, the postponement of the Government Lien in favor of other secured capital, they have enabled the Company to make provision for the liquidation of all floating liabilities, for the permanent restoration of its works, and re-establishment of its revenues and credit upon a staple basis.

It is unnecessary here to refer in detail to the provisions of the act referred to; but the Directors are induced by experience to submit, that it is highly desirable, and indeed almost essential to legal safety—that the numerous acts of Parliament relating to the Company (involving so many repeals and amendments), together with the recent act and order of Council should be revised and consolidated in a new act during the ensuing session of the Legislature; and they accordingly recommended that authority be given at the annual meeting for the measures necessary to that end.