

DIRECTORS' REPORT.

To the Shareholders of the Ontario, Simcoe and Huron Railroad Company.

The Directors beg leave to submit the following Report of the transactions of the Company during the past year ; together with the Annual Reports of the Secretary and Superintendent, which respectively will be found attached.

The Directors have much satisfaction in stating that, during the past year, the Road has been practically operated with complete success ; exact punctuality and perfect safety having been maintained, no collision or other accident having occurred to any class of trains, no failure of any structure or rail service having taken place, no injury been suffered by any passenger, and less than the average loss and damage having occurred in contingencies on transportation of freight.

This success is attributable to the vigilance of the Superintendent, and the excellent discipline of his management, resulting, as it undoubtedly has, in the efficient and careful performance of duty by his subordinate officers and employees engaged in the movement of trains.

The trackway has been maintained in fair condition of running order. Had the means at the disposal of the Company admitted of average track repairs during previous years, the charges to that service now reported would have been considerably less ; but even under these circumstances the cost of maintenance is below the average, due chiefly to the efficient and economical system of current repair adopted by the Superintendent.

The financial position of the Company has deterred the Directors from providing him with such full quantity of new iron