

about thirteen miles, caused embankments and other preliminary works to be erected near Montreal, also levelled the road at St. Rose, surveyed the road and did other works, the whole estimated at £100,000 sterling. In the month of November the road from Carillon to Grenville was ready for traffic; but that was all they did. They have since that date done no more work, and the contract is entirely abandoned. The Company are insolvent, and there is no hope of the road ever being made in virtue of the contract. The road from Carillon to Grenville is not even in operation, and has not been so during the summer of 1855, as the proprietors of the land on the road whose lands were taken by the Company, not having been paid for them, have taken them back again.

Without pretending to determine the cause which induced the contractors to abandon their contract, and which rendered the Company insolvent, Your Committee would beg leave to point out the following facts:

The Corporation of Montreal, which had made as a condition to their taking stock to the amount of £125,000, that they should be at liberty to exact from the contractors a discretionary bond, refused the one offered by the contractors, and withdrew their share in the stock. The County of Two Mountains also withdrew £62,000 of their stock, and caused the regulations by virtue of which they had taken the said stock to be repealed. The By-law of the County of Ottawa No. 1, which had also taken stock to the amount of £25,000, was never ratified. The shares which the Parishes of St. Eustache and Ste. Scholastique promised to take, to the amount of £5,000 each, became null, so that the resources of the Company to fulfil their engagement were limited to the £24,675 subscribed by private individuals; the £59,000 of shares taken by the County of Ottawa No. 2, the Parishes of St. Jérôme and others, of the County of Terrebonne, their own Debentures, and the £260,000 sterling of shares taken by the contractors.

It appears from the evidence, that the real assets of the Company, composed of the funds subscribed by private individuals and Municipalities, only amounted to the sum of £83,875, with which they had to construct a road, the cost of which was £770,000, according to the price of the contract, exclusive of the extras and the purchase of the land. Upon the amount subscribed by individuals there was but £980 of stock paid up.

It is not within the province of your Committee to comment upon a fact which has, nevertheless, attracted their attention, which is, that to construct a road as expensive as that undertaken, the Company gave it out by contract with a stock book amounting only to £246,675, and relied for the balance upon the assistance of the Municipalities, all of which, with the exception of that of Ottawa No. 2 and the Parishes of St. Martin and St. Jérôme, Abercrombie or Ste. Adèle, and Ste. Sophie, disappointed them. As regards the Debentures of these last mentioned Parishes, Your Committee are of opinion, that, having been issued with interest payable from date by the Mayor, who had no authority so to do, and in contravention of the By-laws, without prejudice to the other *moyens* of nullity which might be deduced from the facts herein above mentioned, these Parishes cannot be held responsible for the payment of the interest, before the road is completed, and there is now no appearance of the work being able to be carried on.

In conclusion, Your Committee take the liberty of suggesting to Your Honorable House that it might perhaps be desirable that the Legislature should adopt some immediate plan to place the road between Carillon and Grenville in running order, by permitting the parties interested to have possession of the road as soon as they have paid the proprietors.

The whole respectfully submitted.

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