

ing a large additional supply of engines, as well as of passenger and goods' cars. Orders have accordingly been given for forty-seven engines; of these, eight have been or are in course of being built in England, thirty-two in Canada, and seven in the United States.

The number of additional goods waggons ordered this year has been 400, of which 100 were ordered at Hamilton, Canada West, 100 in the United States, and 200 at the Company's workshops, Montreal.

About one-half of the foregoing stock has already been delivered, and the remainder will be completed during the present summer.

A portion of the additional station accommodation has also been provided, and further accommodation will be added, as the development of the business of the railway may render it necessary.

The London Directors, coinciding with the Government of Canada, deemed it of great importance that they should be in possession of a report from an engineer of high standing, wholly unconnected with the previous operations of the Company, upon the construction of the Railway, the character of the works, and the quality of the rolling stock supplied under the contracts. They, therefore, made arrangements with Mr. Charles Hutton Gregory, C. E., for this purpose. Mr. Gregory left England last April, and the Directors learn by their latest letters from Canada, that he has nearly completed his inspection, and that his return to this country may be expected before the close of the present month. Immediately after Mr. Gregory's arrival in England the fullest information on the matter referred to him will be given to the stockholders. The Directors desire, in the meantime, to state their belief that the report will be of a very satisfactory character.

The works of the Victoria Bridge have been carried on successfully to the close of the last season. The two abutments and nine of the piers are now completed, and the iron-works for the tubes are in a state of proportionate progress.

In the statement which the London directors submitted to the Proprietors last year, the adoption of the Relief Act, passed in 1856, was recommended, and it was left to the Directors to urge upon the government such modifications as might be considered advisable.

Accordingly, in the last session of the Canadian Parliament, application was made to the Legislature representing that the Act of 1856 did not afford that relief to the Company which its requirements demanded; and an Act has been passed, a copy of which is transmitted herewith (Appendix A), by which, under certain conditions, the claim of the Province upon the Company in respect of the debt of upwards of three millions, is postponed to the payment of dividend to the shareholders at the rate of six per cent. per annum.

The effect of this most important concession, for which the thanks of the shareholders are justly due to the Canadian Government and Legislature, is to place the share and debenture capital in the most favourable position, as will appear from the following statement, showing the comparatively small amount of capital per mile at which the Grand Trunk Railway stands as affecting the question of future dividend.

The whole capital on which interest is payable at the present time, exclusive of the rent for the Atlantic and the St. Lawrence Railway, is £5,144,900, made up as follows:—