

aid to that important and promising undertaking, however beneficially its completion would affect the interests of this Railway. Your Directors are, nevertheless, not without hope that measures may be devised for affording the very moderate assistance required to complete this last link of but sixteen miles without injurious delay, and certainly if the distribution of the Railway Subsidy Fund is to be re-opened and enlarged, there is no Railway in the country, which in Provincial interests, has such undeniable claims to additional aid.

7. In their last Annual Report, the Directors, in view of their responsibilities to the public, drew attention to the inadequacy of the equipments of the Line in the following language :

"There is scarcely an item in the equipment service in which (relatively with the trade and revenues offering), serious deficiencies ought not at once to be supplied, whilst the Directors only await additional financial powers to engage, as they propose to do, without delay, in changing the gauge of the Line necessary to put it and the District in unbroken connection with the Western Peninsula of the Province, and with the American railway system.

"But with a Capital Account, constituted as is that of this Company, it is simply impossible to keep pace with the demands upon the resources of the Line, or to undertake the change of gauge."

That description of the position—true and accurate as it was at the time—has received additional force by the experience of the past year, during which it has been found that the carrying power of the Line has more than ever been proved to be below the trade necessities of the District. At this moment, notwithstanding that the crop is but partially out, the grain trade of the County of Simcoe, and of the City of Toronto, is suspended. Every storehouse in every town, and at every station along the line of this Railway, is full of grain, by reason of the inability of this Company to move it ; partly because of the insufficiency of Rolling Stock, and partly because its Elevator and storage capacity at Toronto is wholly inadequate to the Trade. Thus the farmer is unable to find a market for his produce ; the merchant is embarrassed in his operations ; and the business which ought to be transacted, and the profits which ought to be realized, during the winter, are postponed until the summer, (for the movement of grain in the spring is impossible), to the obvious injury of every interest.