

With the present amount of rolling stock, it is quite impossible that the line can accommodate the traffic that will offer by the time that the seat of Government is removed to Ottawa, indeed it is quite certain that unless immediate steps are taken to reorganize the affairs of the Company, and put the road and rolling stock in proper repair, and to secure proper confidence on the part of the public that it will be impossible when the seat of Government is removed to Ottawa for the road to be kept open.

The Bill provides, that in addition to the reorganization of the affairs of the Company, and the placing of its various securities in a position which will give each a chance of obtaining something if the road should hereafter become more successful than it has been in the past, and that authority shall be given to raise a sum of \$250,000 as a first charge upon the revenues of the road. This sum, if raised at all, must be found almost, if not entirely, by the holders of the first mortgage, and there is every reason to believe that if the present measure is passed they will consider that their interest will be best served by raising this amount of money and using it for the purpose of putting the road and Rolling stock in a proper and efficient position, in the hope that by this course they may be able not only to secure interest on this new first charge but place the road in a position to earn something for the first mortgage as well as for those parties who hold securities coming after them.

Unless this is done, the road must, during the approaching winter, if not sooner, come to an absolute stoppage. It cannot, in its present state, continue much longer to run trains, and certainly cannot attempt to carry traffic which will offer as soon as the seat of Government is removed to Ottawa. If therefore the present Bill is not passed there will be no course left but for the first mortgagees to enforce their present Chancery proceedings, (which are already in a forward state; the railway being now in the hands of a Receiver,) and as speedily as possible to have the Road sold under the directions of the Sheriff.

In doing this of course the Road must be stopped until such time as the necessary legal proceedings can be carried through, and measures taken for the reorganization of the Company and the placing of its affairs in a position which will enable money to be raised to execute these repairs which are indispensable to its proper and safe working.

Full evidence of the present position of the Company and the cause of the embarrassed state in which it now is, will be given before the Railway Committee to which the Bill will be referred after it has been read a second time in the House.