

Toronto, 9th July, 1856.

THE HON. JOHN ROSS, President,

Grand Trunk Railway Company, Toronto.

SIR,—Referring to the resolution of the Board adopting the Report of the Chief Engineer of 3rd Sept., last, and communicated to us on the 6th of that month, also to our letter of the latter date to the Vice-President, and our Mr. Galt's letter to Mr. Chapman, the Secretary of the Company, dated London, the 18th of the same month, both of which we confirm, we beg to inform you that in compliance with the request of the Board, we lost no time in locating the Railway between St. Mary's and London, and in endeavoring to obtain the right of way.

We succeeded in securing land from many parties at reasonable prices, but we met some who questioned the Company's right to construct the line, and who intimated their determination to resist our entering upon their properties. Under these circumstances and in concurrence with the opinions of the officers of the Company, we avoided doing anything that could provoke litigation from parties unfriendly to the Company.

The Legislature having during its recent session incorporated a Company with power to amalgamate with the Grand Trunk Company, and having authorized the application of money by the latter to the construction of this line, all doubts as to the Company's right to go to London have been removed, and as we presume the Company continues impressed with the necessity of extending the Road to that point, we venture to suggest to the Board the importance of taking immediate steps to conclude arrangements with the new Company and to do whatever more may be necessary to enable us to complete the acquisition of the right of way so as to be prepared to proceed with the work so soon as the Company shall have perfected their financial arrangements.

We bring the matter under the notice of the Board thus early because no time should be lost if it is desired to finish the Branch to London by the 1st September, 1857, and the main line to Sarnia by the same day in 1858, the periods fixed for their completion in the new Aid Bill, and we beg the Board to communicate their wishes to us in regard to these works, as early as they conveniently can.

We have the honor to be,

Your most obedient servants,

(Signed,)

C. S. GZOWSKI & CO.

*Ans.* Yes. The whole of those documents were supplied in obedience to the order of the House.

*Ques.* 440. It has been stated in evidence that Mr. Galt represented during the amalgamation negotiations—the St. Lawrence and Atlantic and Atlantic and St. Lawrence Companies—while he was a contractor for the Toronto and Sarnia line. Will you please to state whether the arrangements respecting those two Companies were deemed satisfactory or otherwise?—*Ans.* The arrangements made by Mr. Galt during the amalgamation negotiations were to the St. Lawrence and Atlantic Company most advantageous and satisfactory—and I have reason to know that the Directors of the Atlantic Company were also well pleased with the result of Mr. Galt's negotiations.

*Ques.* 441. Had not Mr. Galt the fullest powers from the two Companies referred to, and did he not in reality himself determine the terms of amalgamation on their behalf. Have you ever had any reason to believe, or have you ever heard the slightest suspicion, that Mr. Galt exercised these powers to the prejudice of the interests he represented, and to his individual advantage in the terms arranged for the contract of Gzowski and Company for the Toronto and Sarnia line?—*Ans.* Mr. Galt was clothed with the fullest powers to negotiate on behalf of both those Companies. I do not believe, nor have I ever heard that he exercised those privileges to the prejudice of the interests of the Companies so represented.

*Ques.* 442. Have you ever been made aware that Mr. Galt acted in this amalgamation negotiations as representing the Grand Trunk Company. Did he ever take his seat at the Board of that Company as a Director—and from all the facts within