

The amount charged against capital account seems at first sight very large, namely, £522,059. Of that sum £459,358 consists of the preferential securities redeemed from the proceeds of the issue of one million of debenture stock; and the remaining expenditure is, I think you will admit, very moderate for a line of this length. At all events, the money has been well and economically spent, and you will find details of the expenditure at page 22, under table No. 5. That for new works, £17,500, includes certain sums expended in the construction of the coal dock and elevator dock at Sarnia, and the Point Levi Wharf opposite Quebec; and part of it is expenditure on the new general offices, £4,109. 11s. 9d.;—in the new sidings and extensions, which will be of great value to us economically, £1,958;—in stations and buildings, £2,071; and there are other items, such as replacement of wooden bridges by others of stone and iron, £1,438, and new machinery at Point St. Charles and Fort Gratiot for manufacturing purposes, £1,950. Then, also, we have expended £34,600 in new rolling-stock, and we should get very great advantage from that new rolling-stock. There is at certain seasons more traffic than we can carry, and we expect in future to require still further additions to our rolling-stock, to enable us to do the business that will come upon us. Then we have spent a large sum—£28,551—on lands. We have found it necessary for our business to purchase lands at Fort Gratiot, at Toronto, and at Detroit; and as these lands are becoming more and more valuable, evidently the sooner we purchased them the better for the company ultimately, and the money, I think, in those respects also, is exceedingly well spent. It was done after great deliberation, and if it had been done sooner I think we might have done better still.