

estimated, supposing the earnings to have been only the same as those of the corresponding months of the previous year, at not less than \$36,000. Otherwise, the earnings generally, as compared with the previous years, show gratifying increases. The passenger traffic increased from \$86,366.05 to \$100,440.80. The quantity of grain carried was last year 793,392 bushels, as against 689,686 in the previous year. General merchandise also shows an increase of 3,383 tons.

During the last session of the Legislature of Ontario, the Directors obtained an amendment to the charter of the Company, authorizing the consolidation of the Company's bonded and floating debt of the issue of bonds for that purpose. So far, the Directors have been quite unable to take advantage of the powers granted to them by the Legislature. This subject, one of vital importance to the Company, the Directors think, should claim the immediate attention of the new Board, the floating debt having assumed such dimensions, that difficulty is experienced in handling it in its present shape.

Your Board have much pleasure in stating that the Line as originally contemplated is now open for traffic as far as its two terminal stations, Owen Sound and Teeswater. Hence all the original promises made to the municipalities in regard to the Railway have been carried out.

A large portion of the Railway, and that the most difficult to construct, has not yet received aid from the Government of Ontario. The Board strongly recommends their successors to press the claims of the Company on the Government for such further aid as circumstances may require; and, looking to the difficulties which have had to be encountered in constructing and working this entirely local line of two hundred miles in length, this aid they think should be substantial, and commensurate with the services rendered, and such as will enable the Company in the future to perform efficiently its duties to the public.

JOHN GORDON,
President.

In moving the adoption of the Report the President addressed the Shareholders as follows:—

In moving the adoption of the Report and Accounts I wish to make a few observations in regard to the same, and give a short his-