

into an arrangement with us to form a line, *via* Cape Vincent, for transportation of freight and passengers.

Messrs. Gardner and Ward of Detroit have made enquiry as to forming a line on the upper Lakes the coming season, tri-weekly, as formerly; but as yet no definite arrangement has been entered into with either party.

I have been furnished by J. Tillinghast, superintendent of motive power, with the following details relative to the matter directly under his supervision.

The engines named in the annexed Report were, on the 1st of April last, in bad condition generally—only eight of them being in running order.

The boilers of some and the flues of most of them, were leaky, caused, no doubt, by undue strain, as the scales and steam guages were out of order, and in some instances boilers were carrying 160 lbs. of steam. This has been remedied, and all scales are now set at 90 to 100 lbs.

During the last nine months, we have overhauled and repaired nine of the engines, and have partially overhauled three others.

The two six-wheel connected crab-engines have been repaired, and heavy and substantial trucks built in Company's shop at moderate expense, put under the forward end in place of a pair of drivers. Since the alteration was effected, the engines have worked well, and are much easier upon the track. Formerly a great weight was upon the forward wheels, which rendered them unsafe to run, and much injury was done to the rails in consequence.

The Simcoe had been, in 1855, condemned as unfit for road service, on account of bad boiler and flues, and would not track straight, and considered as only fit for a stationary for the shop. The boiler has been re-riveted and the flues spliced out, frames squared, new tyres put on, and motion work repaired, and it is now running the Mail train, and is probably worth as much to the Company as when first purchased.