

Pontiac, and we hope before long to extend it to Jackson, which is one of the principal towns of Michigan, and a very important centre of traffic. You will see Jackson marked on the map just below the word Lansing, which is in very large letters. The extension of that line to Jackson will involve an expenditure, including the 36 miles already completed, of about £300,000, and it will be, when the time comes for making it, an excellent investment. The Grand Trunk Georgian Bay and Lake Erie Railway will be finished this autumn as far as Colpoys Bay, which will give us some accession of traffic. All those lines are worked in accordance with agreements submitted to you, and which you passed at the last half-yearly meeting; but, as you will see stated in our Report, we have only credited our receipts with the revenue accruing to the Grand Trunk for those lines, and not with the total receipts for those lines.

You will find on page 6 of the Report a reference to the working charges for the half-year, and you will observe, as far as the maintenance and renewals of permanent way and stations are concerned, there is very little increase over the corresponding half-year. There was rather less ballasting done during the half-year, in consequence of the cars being required for traffic purposes, but it is going on during this half-year and will be fully done for the year. As regards the expenditure in the locomotive department, it is a good deal larger, and the reasons are very obvious. I shall give them to you in detail when I come to the locomotive superintendent's report. The total working expenses, you will observe, have only increased by '72 per cent., the charges for maintenance and renewals of road and rolling stock being less by '34 per cent., and the increase as regards all the other charges being 1·06 per cent.