To incorporate two railway systems is, as you are aware, a task of no light nature under the most favorable circumstances; but in the case of the analgamation of these railways, the circumstances were exceptional and difficult.

The principal Officers and Departments were generally filled by the appointment of persons who had previously held positions on the Nova Scotia and New Brunswick railways.

The selections were made, as far as possible, to meet and allay the sectional feelings which prevailed at the time, and to satisfy the various contending influences.

They were made also under the conviction, that the most of these Officers at least, would (when the amalgamation became fully effected, and the system fairly in operation) be found qualified for the positions respectively assigned to them.

The work of amalgamation in so very short a time, and in the absence of proper stock and facilities for doing the work, proved to be a very serious matter; the difficulties being enhanced by the severity of the winter of 1872-3, one almost unparalleled in the history of the country.

The Officers were, early in December, removed from Halifax and St. John respectively to Moneton, under the most disadvantageous circumstances; and men who would work sufficiently well, so long as they had routine duty to perform in a regular manner, became upset and of little service. It was therefore necessary to employ an additional force. Experienced men could not be procured, and we were compelled to do the best which could be done with the class of men available, until all parties became used to their altered positions.

No suitable place for Offices could be procured, and the staff had to be separated Clerks were crowded into places remote from each other, and without proper means of doing the work.

The new station house at Moncton was not fit to occupy, and remained so during the winter.

The engines and cars, which had been fully occupied during the whole season (a large proportion in ballasting the new line) were very much run down, and repairs were urgently required.

We were without repair shops, except at Halifax.

The water supply for engines had been destroyed during the grading of the Moncton station yard, and the new supply had not been got ready; and to add to the other troubles, the shop at Shediac, with all the stores of the European and North American Railway, were destroyed by fire, just before the amalgamation.