

a partial liquidation of floating indebtedness, have been unequal alike to payment of interest on the secured capital, and to that full maintenance of the works of the Company, which, under more favourable circumstances, should have been secured.

After every effort which the most anxious solicitude could suggest, or the most rigid economy could strengthen, the Direction is impelled to the conviction, that so long as these embarrassments continue, so long will the expenses of working be maintained; the depreciation of the works continue comparatively unchecked; the revenue be limited to local sources; and, as the inevitable result, interest upon the secured capital and the Government lien be impossible, and the Road fail of its full value to the Province and the public.

There is a limit of practical and financial depreciation, below which, no Direction having a proper regard to the public interests and its own responsibility may permit a public work to fall; and although this railway has hitherto been maintained in a safe condition for public use, the pressure of accumulating embarrassments may, at no distant date, render impossible those liberal provisions of repair and restoration which are periodically essential to all works of the class; and, inasmuch, as the local revenue is clearly unequal to the accumulated burthen by which it is oppressed, it may become necessary to accept the alternative, so to relieve it as to secure its due maintenance and the re-opening of its most profitable source of earnings, or altogether to suspend its operation. Nor, in the consideration of this question, should it be forgotten, that as on the one hand the Direction practically represents the Provincial as well as private investment, and is charged with the safe and efficient operation of this Railway, so, on the other, they are entitled to claim co-operative measures of relief from all the interests, or release from the grave responsibilities attaching to the care of a public work expected to fulfil its purpose, but depressed and embarrassed below the standard of possible efficiency.