Gentlemen, Kingston, 6 June 1853.

THE contractors for the construction of the Toronto and Sarnia Railway find it necessary for their purposes to obtain the control of the marsh and shoal at Point Edward in Sarnia; they are aware that this shoal, as well as the point, belong to the military Government, and have therefore instructed me to apply for the right of occupancy. It is of importance that a title should be given them for as much of the point and bay as is not absolutely required for military purposes; and for whatever may be reserved for those purposes, they desire to obtain a license of occupation on the usual terms. As the place applied for is of little value, and as the dredging and filling up of the marsh will increase the salubrity of the vicinity, and thus preserve the health of any garrison that may be stationed there, they trust there will be no difficulty in obtaining their object.

The contractors are desirous of pressing their works with all speed, and will therefore be

much obliged by your taking their application into your favourable consideration as early

as conveniently may be.

The Respective Officers, &c. &c. Montreal.

I have, &c. (signed) John A. Macdonald, Solicitor.

Daneganas Hotel, Montreal, 9 June 1853. I have the honour to acknowledge the receipt of your letter of the 8th instant, on the subject of the land required for the terminus, at Port Sarnia, of the Grand Trunk Railway

Since Mr. Shanley applied for the occupancy of the Ordnance property there, the character and requirements of the road have materially altered; instead of being a local railway depending principally on the way traffic between Toronto and Sarnia, it has become a portion of the great provincial line which is to connect Lake Huron with the Atlantic.

It is confidently anticipated that the advantages offered by this line of railway, will secure for it a large share of the traffic and travel of the north-western section of the

United States.

In order to compete successfully for this trade with the American lines, it will be necessary to make very extensive arrangements for the reception, stowage, and transmission of the products of the west, and the land now applied for will not be more than sufficient for

The drainage and filling up of the swamp will be a very expensive affair, and cannot be

satisfactorily done unless the whole of the wet land is thoroughly reclaimed.

If the land in its present state is considered of any value, the contractors will be prepared to pay for it, and will take every precaution that may be suggested by the military authorities to avoid interference with the military works and position.

The railway companies in the United States have suffered great inconvenience from the limited size of the lands originally purchased by them for depôts, and have in many instances been obliged to expend large sums of money in extending their grounds, an expense which might in a great measure have been saved, had their purchases been sufficiently extensive in the first place, and before the construction of the railways had increased the value of the surrounding property.

This error has been avoided by the railway lately constructed; for instance, the Ogdensburgh Railway Company have acquired for their terminus on the St. Lawrence, as I am informed, considerably more than 100 acres, and its requirements cannot be at all equal to

those of the Grand Trunk Railways.

The contractors are bound to furnish to the Company valid and indefeasible titles to the lands required for the railways, as the Company could not safely erect the necessary build-

ings on land not belonging to them.

It is therefore hoped that their application for the purchase of the Ordnance property not required for military purposes will be favourably received. They would also desire to lease the reserved lands, or to get a license of occupation for it so long as it is not required by Her Majesty's Ordnance.

I have, &c. John A. Macdonald. (signed)

- No. 2. -

(No. 132.)

Royal Engineer Head Quarters Office, Montreal, 18 May 1853.

WITH reference to the enclosed application from the directors of the Toronto and Guelph Railway Company, requesting a lease of a portion of the military Reserve, near Port Sarnia, I forward copies of two plans obtained from the chief engineer, showing the extent of land which the Company are desirous of obtaining.

A similar

Sir,