

very strongly upon him the necessity for exercising additional caution, and strictly forbidding him from entering into any engagements on their behalf; this letter did not reach Mr. Brydges until the 9th January following, before which time Messrs. Brydges and Reynolds had made all their arrangements in pursuance of the instructions given to Mr. Brydges when he left England on the 14th November, 1857.

These arrangements being in accordance with the powers granted to Messrs. Brydges and Reynolds, and the money market having materially amended, the Board did not hesitate to confirm them in their letter of the 26th January, 1858.

Your Directors do not deny that they have been disappointed in their expectations from the Detroit and Milwaukee connexion; but it is one thing to be mistaken, and it is quite another thing to have misrepresentation imputed to them.

And it is to be observed, that the bargain, even taking the least favourable view of it, is by no means a disadvantageous one for the Great Western Company. For this advance, and for the advance of £100,000 which was subsequently made, also upon mortgage, the Great Western Company of Canada have secured to themselves the absolute control of this important line of Railway, 185 miles long, running through a thriving and improving territory, and securing to our Line the monopoly of the traffic of the great Western States of America passing in transit through Canada. Your Directors would venture to ask their Shareholders, what railway company would not gladly purchase for £250,000 the entire control over 185 miles of railway, forming an extension of its own system? It must be remembered that ever since the Line was opened we have had a succession of bad harvests, but for which it would have been in a very different position.

Since the opening of the Detroit and Milwaukee Line, it has been computed by our officers in Canada, that it supplies additional traffic to the Great Western Railway which would probably not have been secured without it had been in operation, to the extent shown in the following statement, viz.:

Half-year ending 31st July, 1859.....	59,501 01
" 31st January, 1860.....	87,728 44
" 31st July, 1860.....	85,007 64
" 31st January, 1861.....	115,223 00

They state also that this additional traffic has been carried without the necessity of running any additional trains.

If, instead of securing this Detroit and Milwaukee Line, your Directors had neglected to obtain the control of it, and had allowed it to pass into other hands, what then, they will venture to ask, would have been the position of the Great Western Company? The Grand Trunk would have been in competition with us at Detroit under circumstances of great advantage to that Line. The trade of the northern portion of the State of Michigan, now secured to our Company, might have been carried by the Grand Trunk, and in so far the through traffic of the Great Western would have been materially damaged.

III. *The Charge against your Directors.* But the Committee of Investigation have reported to you that your Directors were bribed by the Detroit and Milwaukee Company to effect these arrangements.

The Committee allege this bribe to have been administered in the form of a gratuity of £2,400 to be paid "to the members of the London Board, and the staff at the office," together with 100 Shares of the Detroit and Milwaukee Company, "fully paid up," which were transferred into the names of "each of the six Great Western Directors."

The simple facts are these:—

By the arrangement under which the Detroit and Milwaukee Railway was placed in the sole control and management of the Great Western Company, it was agreed that the London Directors of the Great Western Company, as well as Messrs. Brydges and Reynolds in Canada, should become Directors of the Detroit and