the specified Sidings,—additional Engine Stables, (not contemplated by the contract,)—a capacious landing wharf at Montreal for facilitating the transport of loaded goods waggons across the St. Lawrence, pending the completion of the Victoria Bridge,—an extension of the Line at Toronto,—and other works, none of which were specified in the Contract, and which could not therefore be included in the stipulated sum of £3,000,000, agreed upon as the price to be paid, without additions or deductions, for the works and conveniences specified.

Taken as a whole, I consider that the excess of cost, which appears to be less than 10 per cent. on the total Contract Sum, has been satisfactorily accounted for.

Considering all the circumstances alluded to in this Report, and the great physical and financial difficulties which have been successfully overcome, I regard the execution of this Line as a work reflecting the highest credit on the Engineer-in-Chief, on the English Contractors, and on the able Assistants of both Engineer and Contractors.

## TORONTO AND SARNIA SECTION.

The Works of this Railway, begun in 1852, were ultimately executed under a Contract between the then Toronto and Guelph Railway Company and the Canadian Contractors, dated March 24th, 1853.

The general terms of the Contract, (abstracted in Appendix R,) corresponded in most of the details with those of the preceding Sections, implying a firstclass single Line, but omitting any special reference to English Railways as a pattern of substantiality. It gave to the Contractors the choice of the Line, subject to arbitration, in case of difference with the Company.

The length of Line already open to Stratford is 87 miles, out of the total 166 miles; and without following its course in detail, I may observe that the selection, thus far, seems to me to have been such as a judicious Engineer, selecting a reasonable line for a Company, would have been likely to adopt.

At a considerable expense, for which extra payment would no doubt have been admitted by an Arbitrator, and has, in fact, been allowed by the Engineer, ground has been recovered at the Queen's Wharf for the Toronto Terminus, in a situation possessing many recommendations, and a little over a mile from the business Centre of the City; but the permanent passenger terminus has yet to be made; for which, I understand, you propose to erect a Central Station on the Esplanade Junction common to this and the Montreal and Toronto lines.

It is to be regretted that the impossibility of obtaining an adequate quantity of Land near your Passenger Station at Guelph, should have removed the Goods Station so far from it.

The Land has been provided almost everywhere for a double Line; and the Land at Stations, as detailed in Appendix S, varies from 41 acres to 11 acres.

The large Embankments have been in some cases increased beyond the Contract Dimensions, for which an allowance has been made. In many places slips have occurred in the Earthwork, since the Line was opened; but I do not ascribe this to any fault of construction.

In the large Rock Cutting, between Acton and George Town, some protection such as Dry Walling, will, I expect, become necessary, to support the upper Rock, and to secure from waste the lower beds, which are wet and shaly.