

The Total Floating Liability of the Company, exclusive of Interest on Government Lien; but inclusive of Interest on Company's Bonds, to 1st July, 1858, is \$376,038 22.

This Road was the first constructed, and the first opened for Traffic in Upper Canada. Thus, in its constructional cost, it had to contend with all the difficulties inseparable from enterprises entirely new to the Country; and that, too, at a time when local capital sought no such investments, and the Provincial credit had not yet been firmly established. To these causes may be attributed a very considerable margin on the Contract prices computed on a cash basis, although the actual mileage expenditure has been below the outlay on other Canadian Roads subsequently constructed. In the absence of a cash capital, the constructional cost was necessarily met by the issue of Bonds of the Company, augmented by those of the Government to the amount above stated; and it is to be noted, that this description of payment whilst it increased the cost of the works, (for, even Provincial Debentures were, at the date of the Contract, quoted at a Discount,) also involved the Company in the liquidation of heavy interest during the period of construction, (this item representing an expenditure of \$450,761 19. \$258,786 68 having been paid before the road was opened,) thus tending to swell the capital account, and by hampering its early revenues to involve the Company in immediate financial embarrassment, from which it has since continued to suffer.

Nor was the expenditure confined to these practical services usually comprehended in Railway construction. Important and costly Harbour works have been successfully executed to obvious public advantage, but without special charge to the Province.

Finally, the Road having been completed and opened for Traffic, it became necessary to organize the "Through Route" for the Western Trade by Upper Lake Steam Connections; and as such route was new, and competitive with all the existing and powerful