payment of an annual rent of 10*l*. currency for a term of 30 years renewable, as well as to the stipulation, that no stone buildings be erected within the radius on the north side of the line of railroad.

With this arrangement the contractors, Messrs. Gzowski & Co., have expressed themselves satisfied, and the provincial Government have given their assent to the disposal of the land in the manner above explained, upon the understanding that the purchase money shall be held available for payment into the military or provincial chest according to the result of the negotiations now pending in reference to the transfer of Ordnance lands to the Canadian Government.

We accordingly request that authority may be granted for a deed and lease to be prepared in favour of Messrs. Gyowski & Co., upon the terms specified in our letter to them of the 14th instant.

We have &c.
(signed) William Bell,
Colonel Commanding, Royal Artillery.
W. R. Ord,
Colonel Commanding, Royal Engineer.
M. W. Blenkarne, D. O. S.

J. Wood, Esq., &c. &c. &c.

P. S.—The plan will accompany the Commanding Royal Engineer's report to the Inspector General of Fortifications.

(Enclosures.)

Gentlemen, Toronto, 17 February 1855. WE have the honour to acknowledge receipt of your communication of 1st instant, and return the plan therein contained; we beg also to enclose a duplicate of that plan, with the railway buildings planned thereon, as shown in a plan sent in our report of the 9th August; we will manage to retire those intruding upon the proposed Reserve.

We take leave to state respectfully, but distinctly, that the quantity of land proposed to be assigned by you is entirely inadequate in quantity, and objectionable in shape, especially when its condition is considered, to meet the requirements of the Grand Trunk

Company.

The entire Reserve at Sarnia is very low, and no portion of it can be used for our purposes, without being materially raised, while not less than three-fourths is marsh or swamp, requiring to be actually made before it will be serviceable for any purpose; and we presume we need not inform you that the most expensive mode of acquiring land is to create it, by filling a swamp or water lot. It is only the positive absence of any other suitable terminal point for the Grand Trunk Railway that forces us upon the Reserve. We received the impression from your letter, especially from that of the 18th August last, that the representation made by our agent, the Honourable J. A. Macdonald, the present Attorney General, dated 9th June 1853, and the communications which we ourselves had the honour to address to you subsequently, had satisfied you that in asking for a title for such portion of the Reserve as was not deemed indispensable for military purposes, and the license of occupation of the latter if so required, we ask for no more than would be essential for the reasonable accommodation at its chief terminus of the gigantic railway enterprise with which we are connected, and for which it is our province to provide the right of way, &c.

We do not know that we can better demonstrate the utter insufficiency of the quantity of land you propose to grant, than by calling your attention to the fact that the frontage on the river is only about 900 feet wide, affording only berths for two steamers, after allowing for a slip for the ferry boat, while the Great Western Company have a water frontage exceeding one and a half miles in length, at Windsor, and which they find it

necessary to extend.

The railways terminating at Chicago and Milwankie have enormous depôt grounds, and all complain of not having enough to permit the more advantageous distribution of their machine shops, passenger and merchandise sheds, wood sheds, &c. The Great Western Company, that require so much room at Windsor, is only 230 miles in length, while that of the Grand Trunk will exceed 1,100 miles, and the American railroads named by us, possessing very large though insufficient depôt grounds, will be mere feeders of the Grand Trunk.

Sarnia is the principal and only safe port on Lake Huron, and the natural eastern harbour of Lakes Superior and Michigan, and Huron; when the railway is finished, vessels will be deterred from going further down, exposing themselves to the expense and risk of passing over the shoals between Sarnia and Windsor, known as "St. Clair Flats."

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