

not point out "What he had done that he ought not to have done," and I submit that when we review his administration of this Company since the year 1862, when the Arrangement Act was passed, the results warrant us to conclude that we should have been better without his services at any price.

I know the reply to this is "The American War," "circumstances over which he had no control," &c., have brought about this state of things. I deny that many of the circumstances that have tended much to the detriment of the Grand Trunk Company, were beyond the Chairman's control.

I will now speak of a subject little known to the Proprietors in connection with Bessemer's process.

Mr. Watkin ought not to have entered into a contract to pay £ 1,250 per annum for the right to make steel rails. This money has been paid for some time, will have to be paid for some years longer, although we have never made, (that I can find out) nor are we likely to make any steel rails.

Steel rails are a luxury for rich companies. To buy a license to use the patent, years before we want to use it, is certainly an act Mr. Watkin "ought not to have done." The only information I have been able to get on this subject is a paragraph in the proof sheets of Captain Tyler's Report, in which he recommends if no steel rails are to be used, that we should endeavour to compromise this payment.

On looking into the Company's Reports, previous to June, 1867, I find no charge for this royalty, but in the accounts for that half-year, page 20, is the following item:—"Royalty on Steel Rails £ 625." This would represent half-a-year's payment, at the rate of £ 1,250 per annum.

I am inclined to think this item would not have appeared in that shape had it not been known in Broad Street that I had been asking certain questions on this subject.

I now want to know whether this is the first payment made under this head, and if not the first, under what head it has been previously charged?