

petition amongst Railway Companies, is not conducive to the public advantage. On this ground, therefore, the Directors of the Great Western Railway are of opinion, that any proposition for the construction of a line of railway parallel to the Main Great Western Line, between it and Lake Erie, would be productive of injury to the public,—would be an injustice to this Company,—and would prove, ultimately, of no advantage to the country. The question of the Southern Line having been freely discussed of late in this country, and the *Official Gazette* having contained notices for applications to Parliament, which would effect this object, your Directors seriously considered the best means of preserving the Great Western Railway from the injury which such a course would have upon it, and they accordingly agreed (subject of course to the sanction of the Shareholders) to certain arrangements, which, if carried out, will, in their opinion, tend to prevent the necessity for any Southern Line, more effectually, and certainly accommodate the wants of the District, and at the same time, have the effect of increasing the value of the Great Western Railway.

With this view, they have given notice of an application to Parliament for power to construct a short line of about 25 miles from their Main Line to Malden, which, at the Western extremity of Canada, would answer all the purposes which a parallel Southern Line is intended to afford, would do it at an expenditure of one-tenth of the cost of the competing line, and save the unnecessary construction of nearly 200 miles of Railway. At the other end of your Line, the Directors have entered into a conditional agreement to secure the Erie and Ontario Railway and its terminus at Niagara; and as it is upon this particular point that the present Report is intended principally to treat, they will now proceed to explain the grounds upon which they recommend you to acquire that line.

The Erie and Ontario is one of the oldest railways in Canada, its charter having been granted in 1835, and revived and amended in the Session of 1852, when largely-increased powers were given to it. Commencing at the mouth of the Niagara River, on Lake Ontario, it is carried to the line of the Great Western Railway, near the Falls, and after running about two miles along the Great Western Line, is carried to Chippawa, with power, under the charter, to extend it from the River Welland to Lake Erie. The Line from Niagara to Chippawa is now being vigorously prosecuted, and there is no doubt but that it will be in operation during the next summer. The question of its value and importance may be divided into two parts; the first, as relating to its prospect of proving remunerative; and the other, as relating to its connection with the construction of other Lines of Railway.

Your Directors will consider the two questions separately :—