

POINT ST. CHARLES, October 23th, 1859.

THOMAS E. BLACKWELL, ESQ.,
Vice-President,
Managing Director Grand Trunk Railway,
Montreal.

DEAR SIR,—In submitting the following Report of our operations during half-year ending 30th June last, it will be unnecessary to remind you that I was appointed Locomotive Superintendent but a few weeks before that date, therefore, further than having most heartily co-operated with my predecessor during the time he was in office, I can claim no merit for the economical management of the Department which the accompanying returns exhibit. These returns are embraced in a Schedule of Statements, and are appended to this Report in full.

In comparing Expenses of Locomotive Working and Repairing with that during corresponding period of last year, I find there has been effected a reduction of $3\frac{4}{100}\frac{3}{100}$ cents in cost of Train Miles, or $2\frac{9}{100}\frac{5}{100}$ cents in cost of Engine Miles, equal in round numbers to \$35,000 saving in the half-year, and in the Car Department a saving of $1\frac{2}{100}\frac{9}{100}$ cents per mile has been made, equal to \$12,500, as per statement D.

Mr. TREVITHICK in resigning his trust left the Rolling Stock in a good and efficient state of repair, and the Locomotive Repairing Establishments at Point St. Charles, Longueuil, Queen's Wharf, and Gorham, in excellent working order, and are well supplied with tools for the past rate of work. It will, however, be expedient, to enable us to carry out the desired economy, to introduce steam hammers and other mechanical improvements, as adopted elsewhere with advantage. The shops have hitherto been found well suited to our wants, both as to fitness and capacity; but if, as we are to expect a much larger extent of repairs in our workshops at Point St. Charles, it will be necessary to extend the conveniences, particularly if to repairs we have to add the construction of any considerable quantity of new Car stock, for which we have already found our buildings too small.

In the course of the past year we have turned out one first-class Engine, and we have also built and put on the road two sleeping cars, which for comfort to travellers, workmanship, and material, will compare favorably with any similar cars made on this Continent, and having established the best model we are proceeding to complete the required quantity.

The fifty new box cars which are now being built at Point St. Charles will be ready for delivery before the close of the year; and I may add that my experience of the past six years in the Company's service is, that no Rolling Stock obtained elsewhere can compete in point of workmanship and material with our own, as now turned out.

As per statement B you will find details of our present Engine stock, which consists of 78 Passenger and 125 Freight Engines. There are 3 more Heavy Freight Engines being built at the Amoskeag Company's Works, Manchester, and will be delivered in the course of the present year.