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R. Bell

REPORT

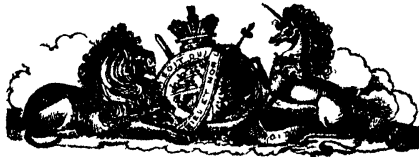
OF THE

COMMISSION

APPOINTED TO INQUIRE INTO THE AFFAIRS

OF THE

GRAND TRUNK RAILWAY.



QUEBEC:

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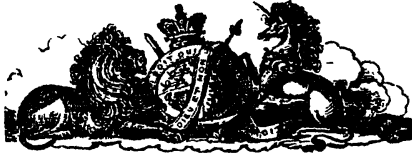
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PROVINCE OF CANADA.

[L. S.]

His Excellency Lieutenant General Sir WILLIAM FENWICK WILLIAMS, Baronet of Kars, K. C. B., Administrator of the Government of the Province of Canada, and Commanding Her Majesty's Forces therein, &c., &c., &c.

To all to whom these presents shall come or whom they may in any wise concern—

GREETING :

WHEREAS it has been deemed expedient, in view of the important interest of the Province in the maintenance and working of the Grand Trunk Railway, and the statements made by the Company of its embarrassed condition, that a strict enquiry should be instituted into the compliance by the Company with the conditions of the Relief Acts—into its present financial position—and into the mode and expense of maintaining and working the line, with the traffic arrangements connected therewith ; Now KNOW YE, that under and pursuant to the provision of the thirteenth chapter of the Consolidated Statutes of Canada, intituled : “ An Act respecting inquiries concerning Public Matters and Official Notices,” the authority in me thereby vested, and by and with the advice and consent of Her Majesty's Executive Council for the said Province, I have nominated, constituted and appointed, and by these Presents do nominate, constitute and appoint JOHN LANGTON, of the City of Quebec, Esquire, J. LEWIS GRANT, of the City of Toronto, Esquire, and TOUSSAINT TRUDEAU, of the City of Quebec, Esquire, to be *Commissioners* to enquire into the management of the Grand Trunk Railway—the compliance by the Company with the conditions of the Relief Acts—the present financial position, and generally into the mode and expense of maintaining and working the Line, with the traffic arrangements connected therewith, and into such other matters connected with the Grand Trunk Company, as they may be hereafter instructed by me to investigate ; and THOMAS WILY, of the City of Montreal, to be Secretary to the said Commission ; AND I DO HEREBY authorize and empower them the said JOHN LANGTON, J. LEWIS GRANT and TOUSSAINT TRUDEAU, as such Commissioners, to summon before them any party or witnesses, and to require them to give evidence on oath orally or in writing, (or on solemn affirmation, if such parties be entitled to affirm in civil matters) and to produce such documents and things as they, the said Commissioners, or any two of them, may deem requisite to the full investigation of the matters and things aforesaid. TO HAVE and TO HOLD the said Office of Commissioners for the purposes aforesaid unto them the said

JOHN LANGTON, J. LEWIS GRANT and TOUSSAINT TRUDEAU, and the said office of *Secretary* of the above Commission unto him the said THOMAS WILY, during pleasure; AND I DO HEREBY require that the said Commissioners do report the result of the above mentioned investigation with all convenient speed to the Governor of the said Province for the time being.

GIVEN under my Hand and Seal at Arms, at Quebec, this twenty-first day of November, in the year of Our Lord one thousand eight hundred and sixty, and in the twenty-fourth year of Her Majesty's Reign.

W. F. WILLIAMS.

By Command

C. ALLEYN, Secretary.

SECRETARY'S OFFICE,

QUEBEC, 24th November, 1860.

SIR,

I have the honor to enclose to you a Commission appointing you together with J. LEWIS GRANT, of Toronto, and TOUSSAINT TRUDEAU, of Quebec, Esquires, Commissioners, to inquire into the management of the affairs of the Grand Trunk Railway Company. The papers on which that Commission has issued are herewith also transmitted to you, and you will please return them to me, with the Report of the Commissioners, which, I am requested to say, is required as soon as possible.

You will please acknowledge the receipt of this letter and of its contents.

I have the honor to be,

Sir,

Your most obedient servant,

C. ALLEYN, Secretary.

JOHN LANGTON, Esquire,
&c., &c., &c.,
Quebec.

(For the papers herein referred to *vide* Appendix I.)

QUEBEC, 7th December, 1860.

Gentlemen,

In the execution of the Commission with which you have been entrusted to examine into the position of the Grand Trunk Railway, His Excellency the Administrator of the Government has been pleased to direct that the following instructions be issued for your guidance.

The object of the Government is to obtain information upon the real position and future prospects of the Grand Trunk Railway Company; and for this purpose you will enquire into and ascertain the exact financial position of the undertaking, its liabilities and its assets.

You will also direct your attention to the manner in which the actual working of the Railway is managed in all its branches, the arrangements under which the traffic is obtained by agreements with other Companies and otherwise, the tariff of charges and the extent of accomodation afforded to the public, including the postal service and the indemnity paid therefor.

You will further report upon the deficiencies stated to exist in the supply of rolling stock and station accomodation, with the means and cost of supplying the same.

You will also consider the questions of general commercial policy connected with the working of the Railway as an important channel of trade and report thereon.

The most important point connected with your enquiry is whether the Railway is now or can be made self sustaining and remunerative commercially, either by a decrease of the cost of working or by an increase of traffic or by both combined. And while you will be careful to submit all the evidence upon which your opinions may be based, His Excellency desires that you should report your views fully upon this point.

It is not considered necessary that the Commission should occupy itself with particular investigations into the past history or transactions of the Company which, whatever may be their nature, do not fall within the objects desired by the Government in the present enquiry.

Your present investigation will, however, naturally in some cases require reference to the past management and policy of the Company, and so far these subjects will properly fall within the scope of your duties.

A. B. C. | I have the honor herewith to furnish you with certain statements and documents furnished by the Grand Trunk Company, numbered as per margin.

His Excellency trusts that you will be able to furnish him with your report for the approaching Session of Parliament or not later than by the latter part of February.

I have the honor to be, Gentlemen,

Your Obedient Servant,

C. ALLEYN, Secretary.

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REPORT.

To His Excellency the Right Honourable Sir Edmund Walker Head, Bart. P. C., K. C. B., Governor General of British North America, &c., &c., &c.

May it please your Excellency.

Upon receiving your Excellency's Commission and instructions from the Honourable Provincial Secretary as to the points to which our enquiries should be more particularly directed, we proceeded to collect such information, as would enable us to lay before Government a report upon the important subject, the investigation of which had been entrusted to us.

In order to enable us to give an accurate statement of the financial position and future prospects of the Grand Trunk Railway Company down to the latest period, it would have been necessary for us to wait until the books of the Company were balanced at the close of the year 1860. But as this could not have been accomplished, even under ordinary circumstances, until the end of February, and as the preparation of the statements which were called for would still further delay the closing of the books, it became evident to us, that it would be impossible for us to make any satisfactory report at as early a period, as was required by our instructions. Under these circumstances, we came to the conclusion to limit our investigations, in the first place, to the transactions of the Company down to the last balance obtained on the 30th June, with the intention of reporting the results of our enquiries to that date, and of subsequently extending them in a supplementary report to the end of the year. As the time approached, however, when we might expect the balance sheet of December 31, we were led to hope that we could present in a single report all the most material points of our enquiries, and some confusion has thence arisen as to the period from which our conclusions are drawn. Our detailed examination of the books has necessarily been carried no later than June, and the statements which we submit of the revenue and capital accounts in a revised form are brought down to that date only. But we have also given these accounts, and the balance sheet to December 31; and as the past year has been the only one during which the entire length of road has been in operation, we have shewn in a separate statement the revenue for that year, as it is given by the Company, with remarks as to the points which appear to have an important bearing upon the future prospects of the Company. The liabilities

of the Company we believe, are shewn, approximately at least, to a much later date; and we have endeavoured in all cases to distinguish the periods to which our observations apply.

Although we were most anxious to complete our Report at as early a date as possible, the magnitude of the subject forbade us to be content with a hurried investigation; and we feel that even now it will be found imperfect upon some important points. Having however received the final balance sheet from the Company on the 19th April, we felt no longer justified in delaying to submit to Your Excellency such information as we have collected.

LIABILITIES.

We have called for a statement of liabilities, as they appear in the books of the Company up to Dec. 31, 1860, together with an estimate of the further liabilities incurred since that date, which will be found in the (Appendix XXIII, page 145.) The following is an abstract of those returns:

| | \$ | cts. |
|---|-------------------|-----------|
| Interest overdue on Debenture Capital | 655,417 | 81 |
| Rent due on Detroit road | 166,121 | 71 |
| Bills payable | 2,749,473 | 52 |
| Loans | 7,875,506 | 61 |
| Sundry creditors | 830,538 | 64 |
| | <u>12,277,058</u> | <u>29</u> |

The estimated addition to the liabilities, since the beginning of the year, only includes the Canada accounts, but besides this, a half year's interest upon the first preference bonds, and upon the greatest portion of the ordinary 6 per cent bonds, fell due in January. Upon the whole amount it would have been £122,721 stg., but the overdue interest in the London cash balance sheet is only increased by £114,104.16.5, or \$545,310.12; whilst further interest on a small portion of the 6 per cent bonds, to the amount of £2,466, or \$12,000, fell due in March, of which we have no account as yet from London. It appears also, from the answers to questions 220 and 221, that interest on Montreal City Bonds \$20,340, on the Montreal Seminary Bonds \$5000, and on the British American Land Company's Bonds \$3000, is in arrear, and that rent on Atlantic and St. Lawrence shares to the amount of \$17,673 was unpaid December 31. We may likewise add \$20,764.81, still due on account of loss by Lake Steamers, and not included in the accounts (Qu. 233.) It would appear necessary also to include in the liabilities the amount still payable on the Three Rivers and Arthabaska contract, viz: \$680,466.50, towards which \$250,329.16 are in the hands of the Province. The total liabilities up to March 31, may therefore be stated as \$13,331,283. Moreover, on the first of April a half year's interest on all the second preference and all the 7 per cent bonds fell due, to the amount of \$417,779, and a half year's payment

on part of the Atlantic & St. Lawrence lease, amounting to \$29,640; and a further amount of \$18,600 on the 1st of May, so that the liabilities at the date of this report amount to \$13,797,302.

Against this there is a considerable amount of the bonds of the Company hypothecated, or still available, with respect to which we have found some difficulty in reconciling the books at Montreal with the amounts as stated by the London Directors:

| | | |
|---|------------|------|
| The 6 per cent bonds are stated by the London Committee of Bondholders to be..... | £2,313,987 | stg. |
| The amount in the books is..... | £1,724,840 | |
| Montreal City, &c., included in amount of London Committee..... | 223,287 | |
| Hypothecated, according to report of London Board, Oct. 26..... | 326,000 | |
| Still on hand, vide do. | 32,000 | |
| | 2,306,127 | |
| Not accounted for..... | £ 7,860 | |
| The 7 per cent bonds are..... | £1,500,000 | 0 0 |
| According to the books there are issued..... | £1,467,541 | 12 6 |
| Said by London Board to be on hand..... | 27,600 | 0 0 |
| | 1,495,141 | 12 6 |
| Not accounted for..... | 4,858 | 7 6 |
| 2nd preference bonds authorized to be issued..... | £1,111,500 | 0 0 |
| Issued by the books..... | £835,533 | 6 8 |
| Said to be hypothecated Oct. 26. | 275,600 | 0 0 |
| | 1,111,133 | 6 8 |
| Not accounted for..... | £ 366 | 13 4 |
| The bonds still on hand or hypothecated stand thus :-- | | |
| Hypothecated 6 per cent according to London Board. | £326,000 | 0 0 |
| Do. 2d preference do. do. | 275,600 | 0 0 |
| Still on hand 6 per cent according to London Board. | 32,000 | 0 0 |
| Do. 7 per cent do. do. | 27,600 | 0 0 |
| On hand or hypothecated 6 per cent..... | 7,860 | 0 0 |
| Do. 7 per cent..... | 4,858 | 7 6 |
| Do. 2nd preference..... | 366 | 13 4 |
| | £674,285 | 0 10 |

In the same report of the London Board, mention is made of land to be sold, valued at £120000, of which it is stated that only a small portion,

realising £5000, had been disposed of. We have made every enquiry as to the property alluded to, both here and in London; but, in the absence of Mr. Blackwell, we have not been able to find that the Company holds land in Canada to that amount, other than the track and station and ballast grounds, nor indeed to hear of any land which is held for sale. The £5000 said to be realized is evidently a misconception of a credit in the Sarnia Lands account.

Amongst the assets, a statement of which is given by the Company to December 31, there appears to be only a small portion which can be made available to meet the liabilities. The Atlantic and St. Lawrence Stock and Debentures, and the Toronto Debentures are already hypothecated; the Portland Sinking Fund of course cannot be touched; the stores and fuel are required for the use of the Company, and the subscription to the St. Lawrence Docks has always been treated as an expenditure of Capital. The only other large item is "Outstanding Traffic Accounts," which requires considerable modification. The sum of \$546,182.33, given in the assets, is not all really available. The amount collectible is shewn (Qu. 218) to be \$307,945.10, against which there is due to other parties \$126,260.14. But in this latter sum are included the amount due to the Great Western under agreement \$43,341.70, which is disputed, and \$61,640.16 on Postal service account. Deducting these two, the balance of accounts really outstanding between the Grand Trunk Railway and the public is \$286,666.82 in favor of the Company. Amongst the other sums, for which the Traffic Department takes credit, but which are to be settled by the Company's own cheques, that of \$245,830.83 for Postal service is clearly erroneous. This is the whole amount of the loan by the Provincial Government on the joint security of the Postal service and certain 2nd Preference bonds, for the whole of which the Traffic Department has taken credit, with a corresponding debit of \$61,640.16, as above, thus making the net sum for which credit is taken \$184,190.67. But the Provincial Government has now finally settled the claim of the Company for arrears of Postal service, by awarding the sum of \$113,144.89; the balance therefore \$71,045.78 is irrecoverable, and must be added to the bad debt account of \$11,882.62, making together \$82,928.40, for which Traffic has taken credit in former years, but which cannot be collected. Of the miscellaneous items it is doubtful how far some can be collected, and many of them are of the nature of disbursement accounts of the Company's servants, which have probably been expended, although the expenditure has not yet been charged to the proper accounts. Including the cash in hand there is not probably more than \$500,000 available. It is proper also to remark, that in the liabilities as above estimated, the reduction in some of the floating liabilities in Canada between January 1 and March 31 is taken into account; the change therefore in the only two considerable assets must also be noted. The outstanding Traffic accounts have been reduced from \$286,666 to \$28,000 (Qu. 234); the Cash remains almost unaltered, being in fact hypothecated nearly to the whole amount.

There is one other item in these returns to which we must call attention. Amongst the loans appears the sum of £500000 sterling, under the title of Financial Agents of Canada Loan account, November 15. The title

“Financial Agents of Canada” might lead to the impression that this was a loan by the Province, but we have ascertained that no such loan is known to, or authorized by, the Finance Department (Qu. 222.)

REVENUE TO JUNE 30, 1860.

In order to enable us to form any opinion as to the probability of the Grand Trunk Railway recovering from the difficulties, in which it is at present involved, and of its becoming self sustaining and successful as a commercial speculation, it was necessary for us to examine in considerable detail into the transactions for some years past, in order to ascertain what the real earnings during that period had been, and to base upon them some augury for the future. The annual accounts of the Company, under the head of the Revenue Account, shew the receipts and working expenses; but as much of the expenditure has heretofore been charged to capital, or is contained in open accounts in the Ledger, we do not think that the balance of the Revenue Account alone will give a true idea of the net profits, which have been available as a return upon the capital expended. In this examination of the details of the receipts and expenditure, we have not thought it necessary to go back farther than to the beginning of the year 1858, as the unfinished state of many sections of the road rendered the results of earlier years less applicable to the present position of the undertaking. We propose to submit our remarks upon these details under the heads of the different accounts in which they occur. We must, however, premise that, from the peculiar position of the Company, holding part of the road under lease, and with preference creditors, who rank in various orders of priority after the *actual working expenses*, there are legal difficulties in determining the charges which properly fall under this designation—difficulties which we do not propose to discuss—our object is to shew what would be a fair distribution of the expenditure between Capital and Revenue, viewing the undertaking merely in the light of a solvent commercial speculation.

Capital account.

We have obtained from the Company a statement (App. X p. 50) of the entire expenditure charged to capital up to 30th June, 1860, distinguishing the amount paid to the original contractors, and that expended by the Company itself. From this statement it appears that, excluding the amount expended on the Atlantic and St. Lawrence road, and excluding also the purchase money of the road from Montreal to Island Pond, and the Detroit and Arthabaska lines, there has been expended upon the Grand Trunk proper, for extra and additional works, under the heads of “Engineering,” “Works and Permanent Way,” and “Stations,” the sum of \$2,491,092. ✓ It forms no part of our duty, according to our instructions, to enquire how so large an expenditure, upwards of 6 per cent of the whole cost under the same heads, became necessary for completing and perfecting the work as taken off the contractors’ hands; but it is evidently essential that we should enquire, whether the whole of it was justly charged upon capital, or whether any part of it ought not to have been considered as maintenance of the road, which was properly chargeable against Revenue.

With regard to many of the items there can be no doubt—Whether the original contracts covered every thing that was necessary for the construction and equipment of a complete road, or whether those contracts were strictly fulfilled, is immaterial to our inquiry. Whatever was essential to make the road complete was properly considered part of the capital. Thus additional station accommodation, or a new branch as at Kingston, or connections not covered by the several contracts, as the road through the city of Toronto or the Charons connection at Montreal, are clearly charges against capital. There are many improvements also where a part, at least, is chargeable to capital. Thus if iron or stone bridges are substituted for wooden ones, as over a large portion of the section between Montreal and Portland, (the cost of which, however, is not included in the sum above named,) or if it is found more economical to abandon the original location, than to maintain the road in repair, as at Duck Harbour, a proportion of the cost, as a permanent improvement, may fairly be considered an expenditure of capital. Of a very similar character are insufficient ballasting and drainage, when the works were accepted from the contractors, or an inferior quality of rails, involving rapid renewals. Then again there is that class of repairs, such as settlement of embankments and derangement of track, which fall the heaviest upon the early years of a railway; whilst of another class, such as renewal of ties and rails, and of buildings and fences, the full weight is not felt till a later period. Unless there be a reserve account, to which the two latter classes may be charged, so that they may be spread over several years, the revenue of the year in which they fall can hardly be expected to bear them; but they form a very questionable charge against capital. It is evidently impossible that we can examine into every item of these various classes, and offer an opinion as to the proper method of charging it. We only refer to them with the view of shewing, how large a portion of the work in the earlier years of a railroad is of a doubtful character, the proper classification of which can only be left to the judgment and integrity of the engineers in charge. As long as the construction account is open, we believe that the experience of railroad undertakings in all countries will shew, that there is no tendency in engineers to charge an undue proportion to revenue. But in the case of the Grand Trunk we find, that in many instances, after the engineers in charge have distributed the expenditure between capital and revenue, according to their judgment of the proper proportions, the Officers of the Company have ordered large sums to be transferred from the latter to the former account. Without entering into the merits of each individual transfer, we believe that we shall not be doing injustice to revenue, in accepting the distribution of the gentlemen under whose immediate supervision the work was carried on. The whole amount which has been thus transferred, from January, 1858, to June, 1860, is \$299,630.39, but if in rectifying this account we assume the balance at the credit of the revenue, Jan. 1, 1858, as given in the published accounts of that year, we must only re-transfer \$179,630.39, as the remaining \$120,000 related to past transactions, and had been included in that balance in the printed statement, although not entered in the books until a later period. We have accordingly restored this amount to revenue, and if we had sufficient data, or had felt ourselves called upon, or competent, to enter into a detailed examination of the different sums, which have been

charged to capital during that period for other work than new and additional construction, we believe that a much larger sum would have been found more properly chargeable against revenue.

The principal difficulty lies between the heads "Works and permanent way" in the capital account, and "Maintenance of way" in the revenue account, and the principal items are "Rails, ties, &c." "Bridges" and "Ballasting." Now it appears from the schedules appended to the statement of capital account (App. X.) that from January, 1858, to June, 1860, there had been expended in renewals of rails and ties, exclusive of the expense of relaying, \$400,512, exclusive also of \$85,481 for rails on the Central Division, where the renewals are not distinguished from new sidings and the diversion of the original track at Duck Harbour; and that there had been expended for renewals of bridges, principally between Montreal and Portland, \$702,726, and for ballasting \$124,527, besides about \$120,000 for fencing, drainage and other miscellaneous repairs and improvements of the track—altogether for the three first items about \$1,250,000. If on the other hand we look at the revenue accounts for the same period, we find these heads charged as follows:—Rails, &c. \$353,137, Bridges \$238,794, Ballasting \$82,161—together \$674,092. We cannot persuade ourselves that this is the proper proportion, in which such repairs should be divided between capital and revenue, or that \$179,630, the transfer of which we have refused to accept, represents by any means the whole amount which has been unduly charged against capital. If we take the amounts hitherto charged for maintenance of track, and compare them with the probable expenses for the future, the impropriety of considering a part of the renewals as chargeable on capital becomes still more evident. To take the item rails alone—according to Mr. Trembicki—the average life of a rail may be looked upon as about 8 years; according to Mr. Stark as 7 years, (Qu. 108 and 214). Upon these estimates the cost of merely re-rolling the necessary quantity of rails would be respectively \$350 and \$400 per mile per annum; but the whole cost of rails, chairs and ties from January, 1858, to June, 1860, including what is charged to capital, as well as to annual maintenance, does not on the average equal the smaller of these sums per annum, not one half of which has been hitherto charged to Revenue. The sums above given are probably not very far from the future average annual cost per mile for renewals of rails; but it is very evident to us that, so far from any of the former renewals being legitimately chargeable against capital, for some years to come the expense of relaying the track will very much exceed any thing that the Company has hitherto being subjected to. In considering the future prospects of the Company, we shall have to allude in the sequel to the present condition of the track, but it is a subject of such importance that we need not hesitate to consider it more in detail here.

The Central Division from Montreal to Toronto is 333 miles long. Mr. Trembicki says (Qu. 89) that about 34½ miles had been relaid to December, 1860. He further estimates (Qu. 108) that there will be required in 1861, 35 miles, (Mr. Cooke, the Engineer of the Division says (Qu. 204) that he has applied for 40 miles, which will hardly cover contingen-

cies.)—that there will be required in 1862, 40 miles, and that all the rest (223½ miles) will have to be renewed by 1865. That this is not an over-estimate, will appear from the evidence of Mr. De Grassi, the Government Inspector of Railways, who reports (Qu. 181) that over the whole line (the Central Division is the worst portion) from ¼ to ½ of the old rails are bad. Taking Mr. Trembicki's estimate, it would appear that there will be required of rerolled rails in the Central Division—

| | | |
|--|-------|-----------|
| In 1861, 35 miles, or on the whole distance, | \$305 | per mile, |
| 1862, 40 miles, | \$348 | “ |
| 1863, '64 & '65, 223½ miles, on the average, | \$648 | “ |
| average for 5 years, | \$519 | per mile. |

On the Eastern Division it is much the same. Mr. Starke (Qu. 213) says he will require, in 1861, exclusive of the Rivière-du-Loup section, 12 tons or \$348 per mile. This would lay 28.8 miles of the whole Division, which, excluding the Rivière-du-Loup Section, is 240 miles. If all laid on the line between Montreal and Island Pond, 144 miles, which it probably will be, it would leave about 96 miles over and above the distance which has already been relaid up to the present time. The rails on the whole of this 96 miles have been down for the full 7 years, which Mr. Starke estimates as the limit of their existence, and within two years at most they must also be relaid. By that time the rails on the rest of the road to Quebec will also be more than 7 years old. We cannot, therefore, estimate a less annual supply, as necessary on this Division, than 40 or 50 miles, at a cost of from \$500 to \$600 per mile.

These are certainly the two worst Districts in this respect. The Portland District has been more than ¼ relaid already, and the Rivière-du-Loup Section and Western District are not so old, and on the latter at least the iron is acknowledged to be better. Nevertheless, the future cost for new rails is a very formidable item, and when it is considered that these estimates do not include the transport to and from the mill, or the cost of relaying, which according to Mr. Cooke, is \$185 per mile, and that they take no note of chairs and ties, both of which the evidence shews to be in a very bad condition, it will be evident that, whilst Revenue was charged in 1858, 1859 and 1860, with less than \$160 per mile, for “ Rails, ties and chairs,” there was no excuse for charging any portion of the remainder to Capital.

Included under “ General Expenses ” in the Portland section, and under “ Extra and additional Works ” in the other sections of the road, there is a very large sum charged against Capital for “ Deficit of Fuel and Stores,” amounting altogether to \$419,304.55. It appears, that when an examination into the stores and fuel on hand was made in 1858, it was discovered that a large deficit existed, which was ordered to be written off the books and charged to Capital. We are not prepared to admit that this was a correct way of disposing of the deficiency. Nobody supposes that stores and fuel to this extent were stolen or destroyed, when the loss might, perhaps, have been charged to capital, though hardly under the

heads named above. Some loss there will no doubt be in distributing stores, and large quantities of fuel have at times been destroyed by fire; but to meet such contingencies, stores and fuel are charged out at an advance on their original cost, and this advance ought to be so calculated as to cover such losses. It is difficult to conceive how property representing such a large value can have disappeared; one instance of which is indicated by the following Journal entry, June 30, 1858—"Stores account to Suspense account, For amount of coke not accounted for at Hadlow, carried to suspense account, Journal No. 2, fol. 452, to ascertain if possible what became of it, but as no account of it could ever be obtained the amount is now re-transferred £782.6.10 \$3129.38."—the price indicates that there must have been 700 or 800 tons of coke thus lost. To occasion such deficiencies there must have been much negligence, and perhaps some fraud; but the bulk of the deficiency has probably arisen from neglecting to charge, or from charging insufficient quantities, or at insufficient rates, to the several services, for which the articles were delivered. The deficit should in any case be distributed between Capital and Revenue in something like the proportion, in which stores and fuel had been issued to the several accounts. Now a considerable amount of stores is issued on account of capital, and some fuel, through the intervention of Locomotive Power, will ultimately be charged against it also; but by far the greatest part of the fuel, and a large sum for stores ought rather to have been charged against Revenue, especially as the principal stores, which are issued on capital account, are of a nature to be the least likely to be affected by casual waste or destruction. We will not attempt to make an exact distribution upon this principle, nor is it necessary for our present purpose, as although the transfer was made during the period to which we have limited our enquiry, the deficit had apparently been accumulating from the commencement, and the proportion of the whole which would be chargeable to Revenue during that period can hardly exceed \$30,000 or \$40,000. Since 1858, no such large deficiencies have occurred, or they have been covered by the percentage added in charging out. There is however a considerable discrepancy between the ascertained value of the stock on hand, and the amount at which it appears in the books.

There is one other considerable item, which has been charged to capital, which illustrates the necessity of establishing a Reserve Fund, viz: the expense attending upon the Steamboat explosion at Lougueuil in 1856, amounting to \$51,021.20. It was kept for some time as an open account in the Ledger, and was finally closed in 1858, by carrying it to "Extra and additional works, Eastern Division," in the capital account. Now a contingency of this character has certainly nothing to do with capital, and still less with extra works; but it may not be fair to charge it against the revenue of the particular year when the accident happened. If there had been a Reserve Account established, to which repairs of an extraordinary character were charged, such an item as this might very properly have been included in it; and if a certain proportion of the Reserve Account, say 20 per cent., were annually charged against Revenue, it would have tend to equalize the amount annually available as the net profits of the road. In the present instance, although the entry was made in 1858, and upon the above principle about \$30,000 would have been

chargeable against the Revenue of the period with which we are dealing, as the expenditure took place principally in 1857, we have not in our revised statement of the account disturbed the original distribution.

A similar item for the expenses of the collision at Stark has been charged to Capital in the Portland Division, to the amount of \$38,103.26, which for the same reasons we have not interfered with, though believing the method of closing the account an erroneous one.

The foregoing items have been excepted to in the main head "Works and permanent way" in the Capital Account, but there are other heads in which charges equally questionable occur. "Miscellaneous Stock," and "Telegraph," are comparatively insignificant in amount, but when such items occur under the former, as "repairs of furniture," and under the latter such recognized sub-heads, as "repairing instruments," "stationery" and "incidentals," it forcibly points out the danger of keeping open a capital account, to which such expenses can be charged. In the present state of the existence of the Grand Trunk Railway, the expenditure on these heads ought no longer to be considered an addition to capital. The whole amount charged under these two heads to capital during the two and a half years has been \$55,612.92, but as \$29,170.83 has been on account of the Western Division, which has been only lately finished, that amount may be allowed; but a large portion, if not the whole, of the remaining \$26,442.09, should have been borne by Revenue.

The last head under which the expenditure of the several divisions of the road is distributed is "General expenses." This head embraces the salaries of the President, of the Managing Director and his Secretary, the Directors' fees, the salaries of the Audit Department and of the Solicitor, and such annual charges as rent, taxes, insurances, with office expenses, stationery and advertising, travelling expenses, &c. There does not appear to us in any sub-division of this general head, or in any of the items as we have examined them in the books, a valid reason why such general expenses should be looked upon as a constantly accumulating increase of capital, rather than, what they clearly appear to be, the annual cost of managing the undertaking. The whole of the amount of General expenses, at the least since 1858, viz: \$291,043.47, should, in our opinion, have been a charge against Revenue.

The same principle applies to the London Office expenses, which form a separate item in the Capital Account, and which we think should, since 1858, be charged to Revenue to the amount of \$61,929.01.

Of the remaining heads of the capital account there are only two which require any notice--The purchase of additional rolling stock is of course a legitimate expenditure of capital, but the condition of that stock is an essential element in deciding upon the correctness of the Revenue account. Now we do not know that it would be possible to obtain data, at the present time, for comparing the condition of the rolling stock at the beginning and at the end of the period we are considering; but during the past year there has evidently been a serious deterioration. Of the 203 en-

gines which the Company had in October 1859, according to Statement B of the returns from the Locomotive Department, accompanying Mr. Blackwell's report, 158 are described as in good or fair order, and 45 as requiring or undergoing repairs; whilst of the 212 of which (exclusive of those on the Detroit line) their stock consisted in December last, Mr. Shanly (Qu. 34) reports only 155 in running order and 57 as requiring or undergoing repairs. The increase of engines out of repair from 23 per cent. to 27 per cent. is not very great; but if the corresponding statement of cars be compared with the same answer by Mr. Shanly, and with the intermediate statement of the date November 10, appended to Mr. Shanly's report (App. XIV, p. 102), it will appear that the number of cars out of repair had increased from 4 per cent. in October 1859, to 8 per cent. in November 1860, and 10 per cent. in December 1860, although the large addition of new stock in the interval, to the amount of 533 cars, should have reversed the proportion, and although the very serious deterioration, consequent upon this severe winter, had not commenced to operate at the date of the last return.

The amount paid annually on account of the Atlantic and St. Lawrence lease has hitherto been kept as an open account in the ledger, and has always been included amongst those open accounts, which in the aggregate form the Capital Account. We cannot think that this method of charging the rent payable gives a correct view of the financial position of the Company. But whilst we object to the system adopted by the Company, we equally dissent from that proposed by the Company's Auditors, who would charge it in the Revenue Account. It is true that the rent ought to be paid out of revenue, and if that prove insufficient, if paid at all, it must be paid out of capital; but we think that the value of both of these accounts would be destroyed, by mixing up with either of them the annual charge for one section of the road. The debit side of the capital account ought to represent the cost at which the road has been acquired, whilst the credit side shews the capital raised for its construction. The revenue account should shew the receipts of the year on the one side, and the cost of managing, working and maintaining the road on the other. The rent payable for one part of it falls under neither category. It is a charge of the same character as the dividends (if any) on the share capital, and the interest on the debenture capital. The sums so payable annually by the Company in consideration of its property in the road have various orders of priority, and if the net profits do not enable it to fulfil its engagements, the creditors have various remedies against the whole or particular portions of the road; but otherwise we can see no distinction between the rents and the other annual charges against the company in respect of its capital.

Revenue account.

In the revenue account there are also some items which we think require revision. The carriage of the Company's property, or property for its use, is charged in two different ways, and there does not appear to be any very certain rule observed. 1st. The service of the engines and cars ballasting, and carrying rails and other property for construction and maintenance of way, is generally credited directly to Locomotive power and Merchandise charges, and the balance only of these two accounts is charged against revenue.

The amount so charged from January 1858 to June 1860, is thus divided.

| | |
|---|------------------|
| To maintenance of way (Revenue)..... | 94853.66 |
| To works and permanent way (Capital)..... | 120093.51 |
| To contractors and others..... | 73603.47 |
| Total..... | <u>288550.64</u> |

To this extent the charges against revenue are diminished. As carriage of this kind cannot be considered as true traffic, we believe this to be the proper way of charging the service performed; provided it is set down merely at the actual cost to the company.

In answer to our question to that effect (Qu. 84) we are informed that it is the practice to charge carriage of the company's property only at the real cost without a margin for profit; but in the case of similar work performed for the contractors a very different practice must certainly have prevailed, as the following entry in the journal sufficiently testifies (folio 203) "Suspense account to C. S. Gzowski, & Co. For the amount standing at the debit of C. S. Gzowski & Co.'s general account, written off for the present to suspense account to close accounts. Mr. W. Shanly's memorandum gives \$21000 as the true value of the work done by our engines and cars for that firm, leaving balance of \$23112.29 overcharged by the Locomotive Department on "Locomotive Power" and "Merchandise Charges" accounts. This amount is to be debited to those accounts in the sum overcharged in them, as arranged with Mr. Elliot, on behalf of the Vice-President, this 23rd October, 1860, the date of the entry being made. The debit in question is deferred in order not to press unduly on current revenue account." There can be no doubt that the \$23112.29 has been improperly credited to two accounts which form principal charges against revenue, and when we find an overcharge of more than 100 per cent in one instance, we may be permitted to doubt, whether the amount charged for similar work against the company itself, where it was no one's personal interest to resist it, has not been equally overrated.

2nd. In other cases the fuel and stores, and sometimes rails also, are included in the general traffic, and cheques pass between the several departments, as if the carriage had been for individuals unconnected with the company. This appears to us to be objectionable in two ways. If the goods are charged for at the usual rates, a fictitious profit is created, and even if this be not the case, as we are informed it is not in the case of fuel at any rate, the traffic accounts, viewed as a statistical return, are unduly swelled. The traffic of this nature during the two and a half years we are considering has amounted to \$181,376.97 being about 3 per cent of the whole traffic returned for that period. Had the whole of this amount been charged to the several services for which the freight was carried, it would have made no difference in the balance of the Revenue Account, as although \$181,376.97 must be deducted from the credit side as not true traffic, a similar amount should have been credited to Locomotive Power and Merchandise Charges on the debit side. The whole sum however has not been charged,

\$109,347.78 remaining undistributed in an account in the general balance sheet called "Outstandings of Departments." This amount the Company's Auditors recommend should be charged against Revenue, but it is clear that the whole of it should not be so treated, as the entries shew that a large portion was awaiting distribution amongst Capital Accounts. We have ascertained that the sum chargeable to Revenue by the Engineers' certificates is \$46,930.86, of the remainder \$46,966.88 is chargeable to Capital Accounts, \$4,338.50 to Stores, and the rest, \$11,111.54, is still undistributed.

The rent of the Detroit line appears on the debit side of the Revenue Account, June 30, 1860. We cannot understand upon what principle the Company, which has always charged the Atlantic and St. Lawrence rent to capital, should adopt a different method with the strictly analogous case of the Detroit and Port Huron rent. We believe for the reasons given above that both methods are erroneous. Still less can we comprehend how the Auditors should recommend that, after the balance had been struck, June 30, \$86,836.44 on this account should be charged to Revenue, seeing that it had already been charged before that date. The sum in question they find on the *credit* side of the balance sheet as due to the Detroit Company. It consists of two items \$81,721.71, being a half year's rent, which is charged in the half year ending June 30, and \$5114.73 charged in the previous half year. This latter amount is one half of the gross earnings to that date, which under the first agreement was payable to the Detroit Co., but as this arrangement was overridden by the subsequent lease, \$5114.73, instead of being charged a second time to Revenue, ought now really to be credited to it.

General Balances.

It remains for us to notice the General Balances, amongst which are several items, which appear to us to be of a character to have been included in the Capital or the Revenue Account. The following, which are also so treated by the Auditors, should have been charged to Revenue.

| | |
|--|------------|
| Payment to Contractors for working Rivière du Loup section | \$8,169 35 |
| Ground rent Account, Quebec and Richmond..... | 624 39 |
| Pointe Lévi lease Account..... | 1,240 00 |
| Insurance | 23,895 58 |
| Hon. J. Hamilton, on Account of Steamers..... | 3,815 00 |
| Hire of Cars..... | 77 85 |

To which we would add—

| | |
|---|----------|
| Sarnia Hotel, which is not the cost of the Building but of Wines, Ales, &c., the Company being in fact Hotel Keepers..... | 8,470 75 |
| Maintenance Tools..... | 5,237 33 |
| Travelling painter for Victoria Bridge..... | 4,866 67 |

| | |
|------------|-------------|
| Total..... | \$56,396 92 |
|------------|-------------|

Dr.

CAPITAL ACCOUNT

| | \$ | cts. |
|---|-------------------|------------------|
| Amount at Debit of Capital Account, June 30, 1860..... | 57,340,369 | 33 |
| Paid to Provincial Agents for Three Rivers and Arthabaska and Subsidiary Lines..... | 736,995 | 83 |
| Sundry Capital Accounts transferred from Balance Sheet | 5,305 | 28 |
| Amount of carriage of Company's property chargeable to this account, but standing in the books at the Debit of "Outstandings of Departments"..... | 46,966 | 88 |
| | <u>58,129,657</u> | <u>32</u> |
| Less the following Amounts now transferred to Revenue having been erroneously charged to Capital since January 1, 1858 :— | | |
| Transferred from Revenue to Capital, now reversed..... | 179,630 | 39 |
| Proportion of deficit of Fuel and Stores June 30, 1858, (say)..... | 30,000 | 00 |
| Proportion of Miscellaneous Stock and Telegraph, (say)..... | 25,000 | 00 |
| General Expenses | 291,043 | 47 |
| London Office Expenses | 61,929 | 01 |
| | <u>\$587,602</u> | <u>87</u> |
| Atlantic and St. Lawrence lease transferred to Charges on Revenue | 2,248,766 | 22 |
| | | <u>2,836,369</u> |
| Total cost of Road | \$ | 55,293,288 23 |

REVENUE ACCOUNT FROM

| | \$ | cts. |
|---|-----------|------------------|
| To Expenses from January 1, 1858, to June 30, 1860 | 5,655,801 | 17 |
| Less carriage of Company's own property which should have been credited in the Subsidiary Accounts | 181,376 | 97 |
| Chicago and Detroit Company charged in 1859 | 5,114 | 73 |
| Do. lease charged in 1860..... | 81,721 | 71 |
| | | <u>268,213</u> |
| | | <u>5,387,587</u> |
| Amount now transferred from Capital | 587,602 | 87 |
| Overcharge to Gzowski & Co. for carriage | 23,112 | 29 |
| Amount credited for carriage of Company's property, now transferred from "Outstandings of Departments"..... | 46,930 | 86 |
| Amount transferred from Sundry Accounts in the Balance Sheet..... | 44,964 | 01 |
| | | <u>6,090,197</u> |

TO JUNE 30, 1860.

Cr.

| | \$ | cts. |
|---|------------|------|
| Amount at Credit of Capital Account, June 30, 1860..... | 60,290,146 | 42 |
| Less Shares, &c., held by the Company..... | 201,179 | 99 |
| <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%); border-left: 1px solid black; border-bottom: 1px solid black; width: 100%; height: 100%;"></div> | | |
| Total Share and Debenture Capital..... | 60,088,966 | 43 |

JANUARY 1, 1858, TO JUNE 30, 1860.

| | \$ | cts. |
|---|-----------|------|
| Gross Receipts from January, 1858, to June, 30, 1860..... | 6,255,142 | 96 |
| Less Carriage of Company's Property included in the same, <u>181,376</u> | 181,376 | 97 |
| | 6,073,765 | 99 |
| Balance | 16,431 | 80 |
| <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%); border-left: 1px solid black; border-bottom: 1px solid black; width: 100%; height: 100%;"></div> | | |
| | 6,090,197 | 79 |

Dr.

CHARGES ON

| | | \$ | cts. |
|---|-------------|------------------|-----------|
| Interest paid to December 31, 1857 | | 3,541,636 | 49 |
| Atlantic and St. Lawrence Lease to do. | | 1,354,084 | 02 |
| | | <u>4,898,720</u> | <u>51</u> |
| Interest paid from January 1858 to June 1860..... | \$5,586,803 | 66 | |
| Do. overdue..... | 531,683 | 33 | |
| | | <u>6,118,486</u> | <u>99</u> |
| Atlantic and St. Lawrence rent, do. to do. | 894,682 | 20 | |
| Detroit rent..... | 81,721 | 71 | |
| | | <u>976,403</u> | <u>91</u> |
| | | 7,094,890 | 90 |
| Balance at Debit of Revenue from January 1858 to June 1860..... | | 16,431 | 80 |
| | | <u>7,111,322</u> | <u>70</u> |

GENERAL

| | | \$ | cts. |
|---|-------------|-------------------|-----------|
| Expenditure on Capital Account..... | | 55,293,288 | 23 |
| Portland Sinking Fund..... | | 236,250 | 00 |
| Cash..... | | 154,032 | 11 |
| Toronto Debentures..... | | 400,000 | 00 |
| Outstanding Traffic Accounts..... | | 763,028 | 13 |
| Stores and Fuel | | 467,163 | 06 |
| Sundry Debtors..... | | 119,552 | 84 |
| Sundry Disbursement Accounts..... | | 79,077 | 03 |
| | | <u>57,512,391</u> | <u>40</u> |
| Discount..... | \$2,197,783 | 77 | |
| Less Premium and transfer fees | 333,370 | 54 | |
| | | <u>1,864,413</u> | <u>23</u> |
| Preference Capital Expense Account..... | | 81,259 | 04 |
| Exchange and Commission..... | | 126,558 | 07 |
| Charges on Revenue Balance to January 1858..... | | 4,037,382 | 13 |
| Do. do. to June 1860 | | 7,111,322 | 70 |
| | | <u>13,220,935</u> | <u>17</u> |
| Total Deficit..... | | 70,733,326 | 57 |

REVENUE.

Cr.

| | \$ | cts. |
|--|-----------|------|
| Balance at Credit of Revenue Account, January 1, 1858 | \$872,771 | 29 |
| Less Amount accrued before January, 1858, upon Sundry Accounts now closed by charging to Revenue..... | 11,432 | 91 |
| Balance | 861,338 | 38 |
| Balance | 4,037,382 | 13 |
| Balance | 4,898,720 | 51 |
| Balance | 7,111,322 | 70 |
| Balance | 7,111,322 | 70 |

BALANCES.

| | \$ | cts. |
|------------------------------------|--------------|------|
| Share and Debenture Capital | 60,088,966 | 43 |
| Loans from Bankers, &c | 6,819,848 | 15 |
| Bills Outstanding | 2,475,572 | 79 |
| Interest overdue | 531,683 | 33 |
| Rents overdue | 81,721 | 71 |
| Sundry Creditors | 39,111 | 81 |
| Sundry Disbursement Accounts | 696,422 | 35 |
| Total Liabilities | \$70,733,326 | 57 |

The whole of this amount, however, has not accrued since January, 1858, but only \$44,964.01, leaving 11,432.91 on account of previous years. The two items for ground rent Quebec and Richmond, and Pointe Lévi lease, which are included in this amount, are properly charged to Revenue, but they form only a small portion of the whole amount actually paid. The Company pays annually about \$10,000 for ground rents and interest on instalments due on lands purchased. These small balances are unaccountably left in the Ledger, but the rest has been charged, upon no fixed principle apparently, part to Revenue, part to Capital and part to the General Interest Account.

The following Accounts belong to capital :

| | |
|--|--------------|
| Paid to Provincial Agents for Three-Rivers and Arthabaska Road and subsidiary lines..... | \$736,995 83 |
| Port Hope Railway Junction..... | 4,013 56 |
| Union Station Toronto..... | 539 76 |
| Montreal extension..... | 751 96 |
| | <hr/> |
| Total..... | 742,301 11 |
| | <hr/> |

We have endeavoured to prepare a Statement of the affairs of the Company revised according to the principles above laid down, which, we believe, will give a more intelligible view of its real position, than those published semi-annually. We have divided it into the following heads :

CAPITAL ACCOUNT.—With the exception of the Atlantic and St. Lawrence lease, the whole of the payments on which we have deducted, we have assumed all the amounts charged to Capital before Jan. 1st, 1858, to have been justly so charged, and we have carried to capital some accounts which have hitherto only appeared in the Balance sheet. From this Statement it will appear that the road and equipment have cost \$55,293,288.23, whilst there has been raised by Share Capital and Bonds \$60,088,966.43.

REVENUE ACCOUNT.—We have made the alterations above indicated in this Account, giving the benefit of all doubtful points to the accounts as they stand, and it would appear that, in our opinion, the true traffic receipts during the two years and a half ended June 30, 1858, have been \$6,073,765.99, and the true expense of working and maintaining the road certainly not less than \$6,090,197.79, or that the road during that period has not paid its expenses, exclusive of rents and interest.

CHARGES ON REVENUE.—We have opened a new account, to which we have given this name. This account should include on the debit side rents of sections of the road, interest on Bonds, whether paid or unpaid, and dividends on share capital, if any; and on the credit side the balance of Revenue Account, out of which they ought to be paid. We have not endeavoured to separate the interest on Bond capital from the general interest, which should perhaps more properly be classed with the loans, &c., out of which it arose. We have also included the interest unpaid in July 1st, though not really belonging to this half year, in order to shew the way in which we think it should be treated. We are of opinion also, that that portion of the Exchange and Commission, which represents the expense of remitting and paying the interest, should be charged to this account. It would have been difficult for us to ascertain the amount accurately, but it clearly leads to an erroneous impression of the financial position of the Company, if these, which are certain annual charges, are carried to an open account. We think that the balance only of this account should be carried into the General Balances, as we cannot perceive any object which is gained, by keeping the interests and rents on the one hand, and the net Revenue on the other, open accounts accumulating indefinitely. It will be seen that the balance, by which the net revenue has failed to meet the charges on it up to January 1st, 1858, has been \$4,037,382.13, and since that period to June, 1860, \$7,111,322.70.

GENERAL BALANCES.—The balance sheet, as published semi-annually, appears to us to have given a very imperfect view of the financial position of the Company. Accounts of a very different character, and of considerable amount, have been grouped together under such titles as “Sundry Accounts,” whilst others of a very subordinate nature have been given separately. We have endeavoured to classify the balance sheet, making it a true statement of assets and liabilities, and grouping together such accounts as do not appear to be of either character, which in the aggregate may be considered as the profit and loss account of the Company. Assuming the great asset, the road, to be worth what it has cost, and that there are no bad debts amongst the other assets, it would appear from this statement that the total loss up to the June 30, 1860, had been \$13,220,935.17.

REVENUE FOR THE HALF YEAR ENDING DECEMBER 31.

The ordinary traffic return for the last half of 1860, is given in the Appendix, together with statements of the Capital and Revenue Accounts and the General Balances, (App. XXVI, XXVII, XXVIII, p. 154-70,) differing in their arrangement in many respects from what has been the practice in former years, but still not in our opinion in as intelligible a shape as that which we have suggested for the preceding two and half years. We submit two detailed tables shewing the comparative increase of business and cost of working in the last year over 1859, together with some general results which may be deduced from them.

COMPARATIVE STATEMENT of Traffic of 1859 and 1860.

| DISTRICT. | Quantity. | | Amount. | | Total Amount. | |
|----------------------------------|-----------|---------|------------|------------|---------------|------------|
| | 1859. | 1860. | 1859. | 1860. | 1859. | 1860. |
| Atlantic—Freight Local | 84947½ | 82661¼ | 208370 47 | 196450 41 | 605147 67 | 701448 98 |
| “ “ Through | 138178½ | 195963½ | 228934 17 | 322584 52 | | |
| “ Passengers Local | 66082½ | 64187½ | 60227 87 | 60751 53 | | |
| “ “ Through | 82204 | 93577½ | 87205 05 | 100931 10 | | |
| “ Mails, Express, &c | | | 20410 11 | 20831 38 | | |
| Eastern—Freight Local | 103324¼ | 107574½ | 147595 12 | 128919 34 | 551943 64 | 701832 86 |
| “ “ Through | 90778½ | 167569 | 166692 51 | 288815 45 | | |
| “ Passengers Local | 112794½ | 126480 | 138037 51 | 158165 23 | | |
| “ “ Through | 24733 | 29775 | 63943 14 | 81344 00 | | |
| “ Mails, Express, &c | | | 35675 35 | 43588 84 | | |
| Central—Freight Local | 99607 | 126570½ | 209822 00 | 250312 02 | 1029263 82 | 1340779 08 |
| “ “ Through | 76174½ | 168027½ | 262839 88 | 471591 68 | | |
| “ Passengers Local | 244146 | 242780½ | 378623 80 | 391734 68 | | |
| “ “ Through | 36558½ | 46659 | 128843 01 | 174008 94 | | |
| “ Mails Express, &c | | | 49140 12 | 53131 69 | | |
| Western—Freight Local | 57569½ | 75548 | 93737 28 | 104154 90 | 263378 24 | 486775 86 |
| “ “ Through | 66821½ | 100799½ | 31438 13 | 154564 77 | | |
| “ Passengers Local | 118148½ | 133390½ | 107465 82 | 127515 26 | | |
| “ “ Through | 5025½ | 24974½ | 12674 56 | 73793 58 | | |
| “ Mails Express, &c | | | 18062 45 | 26747 44 | | |
| Detroit—Freight Local | 1012 | 5314½ | 1355 06 | 9082 18 | 10229 45 | 85672 86 |
| “ “ Through | 8263½ | 31939½ | 3521 92 | 21752 65 | | |
| “ Passengers Local | 4219½ | 30539½ | 4181 75 | 29876 55 | | |
| “ “ Through | 708½ | 18267½ | 1042 28 | 21737 98 | | |
| “ Mails Express, &c | | | 128 44 | 3223 50 | | |
| Undivided Receipts | | | 1164 37 | 6747 12 | 1164 37 | 6747 12 |
| Total | | | 2461132 21 | 3323256 68 | 2461132 21 | 3323256 68 |

| | | |
|-----------------------------------|-----------|-----------|
| | 1859. | 1860. |
| Total Freight | \$1354307 | \$1919227 |
| Total Passengers | 989244 | 1219760 |
| Total Mails Express, &c | 124581 | 154269 |

\$2461132

\$3323256

The increase of receipts in 1860, over those in 1859, may be thus divided.

| | Freight. | Passengers. | Total. |
|----------------------------------|----------------------------|---------------------------|----------------------------|
| Atlantic District..... | 18 $\frac{3}{4}$ per cent. | 9 $\frac{1}{2}$ per cent. | 15 $\frac{3}{4}$ per cent. |
| Eastern do. | 33 " | 18 $\frac{1}{2}$ " | 27 " |
| Central do. | 52 $\frac{1}{4}$ " | 11 $\frac{1}{2}$ " | 32 " |
| Total on road completed in 1859. | 35 " | 13 " | 25 " |
| On the whole road..... | 44 " | 24 " | 35 " |

The several Sections have earned, during 1860, the following sums per mile :

| | |
|------------------------|-------------|
| Atlantic District..... | \$4708 |
| Eastern do. | 2924 |
| Central do. | 4026 |
| Western do. | 2897 |
| Detroit do. | 1452 |
| Total..... | 3426 |

The accounts do not supply the means of comparing the through and local business, as this subdivision has relation only to the several Districts, and gives results of no real importance. Every thing which is taken up and set down at stations in the same division is considered local, but if it passes through the station separating two divisions it is called through. Thus a passenger going from Montreal to Scarborough (322 miles) is a local passenger, but if he goes from Scarborough to Weston (20 miles) he is through, because he has passed through Toronto. It is to be observed, however, that the through freight, properly so called, cannot exceed, and will certainly fall somewhat short of, that on the Western District, which is about 12 per cent of the whole. It is to be regretted that the returns do not enable us to distinguish between the freight upwards and that downwards, a question of vital importance for the future prospects of the road.

COMPARATIVE STATEMENT OF THE EXPENSES IN 1859 AND 1860, EXCLUDING RENTS, AND THE DISPUTED CLAIM OF THE GREAT WESTERN RAILROAD.

| | 1859. | 1860. | Increase per cent. |
|-------------------------|---------------------|---------------------|--------------------|
| Locomotive power..... | 600,419.11 | 859,018.03 | 42 $\frac{1}{2}$ |
| Passenger traffic..... | 230,842.81 | 259,121.91 | 17 |
| Merchandise do..... | 403,371.19 | 538,097.07 | 33 |
| Maintenance of way..... | 647,690.07 | 788,202.50 | 21 $\frac{1}{2}$ |
| Miscellaneous..... | 237,402.06 | 362,143.66 | 52 |
| Total..... | 2,109,755.24 | 2,806,533.17 | 33 |

The increase of locomotive expenses is very great, attributable no doubt mainly to the 35 per cent increase of traffic and greater length of road, without any corresponding addition to the number of locomotives, but also partly to the general stock being older. The cost of the passenger and merchandise traffic has increased in a much less proportion than the two kinds of traffic themselves. Under the head maintenance of way, the comparison of the whole year gives a much more favorable result than that deduced by Mr. Shanly, (Qu. 176) from the two half years ending Dec. 31. The increase given above is in a great measure owing to the increase in distance. The cost per mile in 1859, was \$723, and in 1860, \$812, being an increase per mile of only 12 per cent, a proportion very much below the increase of traffic to which it has been exposed. The very large increase in the last item is mainly owing to charges not heretofore made against revenue, and to the loss by the contracts with the Steamers. The entire expenses have increased very nearly in the same proportion as the receipts, the expenses being 85½ per cent. of the receipts in 1859 and 84 per cent. in 1860. It must however be observed, that in the last year revenue was more fully charged with what belonged to it, than in the previous year. Thus, though the percentage of profit shewn is about the same, it is more truly a profit, and it is larger in amount by 33 per cent.

CAUSES OF THE SMALL RETURNS.

In spite of the improvement in the traffic during the past year, it is evident, that a much larger profit must be realized, than any that has hitherto been reached, if we are to entertain hopes of the road being self-sustaining; and it becomes the most important part of our duty to enquire into the causes of the disastrous state of affairs which has hitherto prevailed, and to point out the direction in which improvement may be hoped for.

One of the principal causes, which has been strongly insisted on by every one connected with the Company, is the deficiency of rolling stock. Mr. Shanly, in his report of November last, which will be found in the (App. XIV) has given a tabular statement (C p. 97) of eight of the principal roads in North America, shewing the number of engines and cars per mile, and the gross earnings and expenses of each; and taking the Great Western of Canada, and the Michigan Central, as bearing the greatest analogy to our road, he has shewn that the Grand Trunk would require an addition of 31 engines and 508 cars, or of 61 engines and 846 cars, to stock it as fully per mile as those two roads respectively. He argues, moreover, that "all persons conversant with railways will readily concede, that a long road ought to have a larger equipment mile per mile than a road of one half or one third the length"—This latter conclusion we are not prepared to admit. If we consider only the through traffic, there is a definite amount of time lost, and of expense incurred, in loading, unloading and handling the cars at the two termini, which is the same whether the road be long or short, and as the speed and cost of moving are independent of the length, it follows that the same number of cars will take a ton of goods over more miles, and at a less cost, on the long than on the short line; and the same thing will be partially true as to the local traffic. It is true that there will be practical difficulties in giving the same close superintendence on a

long line, just as it requires more skill and a more perfect organization to manage an army successfully, than to command a batallion; but the certain advantages in favor of the long line must largely overbalance the minor inconveniences. Were it otherwise, it would seem to follow that the Grand Trunk would yield larger returns, if it were divided into three sections, each working independently of the other, and without a central office to harmonize the whole—a conclusion which it would be very difficult to assent to.

It will be admitted however, that to enable the Grand Trunk to perform an equal amount of work with the two roads in question, its equipment ought to be more nearly upon the same footing. But although an increase of rolling stock is clearly desirable, we cannot close our eyes to the fact, that the Grand Trunk has not made nearly the same profitable use of the rolling stock it has, which it ought to have done, and which is made by other roads. We have compared it in this respect with the New York Central, and Pennsylvania Central, as roads which give the fullest returns, and we submit the result in a tabular form.

Comparative Statement of the Engines and freight cars, and of the work performed by them, on the New York Central, the Pennsylvania Central and the Grand Trunk.

| | New York Central, year ending Sept., 1860. | Pennsylvania Central, 1859. | Grand Trunk, year ending, June, 1860. |
|---|---|-----------------------------------|---|
| Length of road (exclusive of the Rivière du Loup section.) | 556 * | 356 | 970 |
| No. of Engines..... | 207 | 205 | 216 |
| No. of miles of road to each Engine..... | 2.68 * | 1.73 | 4.51 |
| No. of freight cars of all classes. | 2644 | 2197 | 2610 |
| No. of freight cars per mile... | 4.75 * | 6.17 | 2.69 |
| Total tonnage moved..... | 1028183 | 1170240 | 622971 |
| Mileage of one ton..... | 199231392 | 180333140 | 97970102 |
| Annual mileage of each En- gine..... | 21706 | 16070 | 11550 |
| Weekly, do..... | 417.5 | 309 | 222 |
| Daily, do..... | 69.5 | 51.5 | 37. |
| Average load of each Engine in tons..... | 44.3 † | 54.7 | 39 |
| Yearly mileage of one car with 10 tons..... | 7535 | 8.208 | 3753 |
| Weekly, do..... | 150 | 159 | 72 |
| Daily, do..... | 25 * | 26½ | 12 |

It is to be observed, with reference to the items marked (*), that the New York Central has a double track for nearly 2 thirds of its length.

If we only take it for one half of the length, the effective length of the road becomes 834, and the number of miles to an engine, and of cars to a mile, becomes 4 and 3.3, more nearly according with the equipment of the Grand Trunk. On the other hand there is no doubt that a road with a double track can make more effective use of its rolling stock, and the much larger amount of work done by one car on that road, than what is accomplished by the Grand Trunk Company, may be partly attributed to this cause.

It is also to be borne in mind (‡) that the New York Central is a passenger road to a much greater extent than either the Pennsylvania Central or the Grand Trunk, and as the average load of freight per engine is calculated on all the engines, whether passenger or freight, the returns not enabling us to distinguish between them, the comparison in this respect with the other two roads does not do full justice to the carrying capacity of the New York Central.

It may be supposed that this inferiority in the amount of work done by Grand Trunk cars is owing to their running westward to a great extent empty, in consequence of a deficiency of back freight, a circumstance frequently dwelt upon in former reports to the Company, and in the evidence laid before us. But the Grand Trunk does not really compare unfavorably in this respect with other American roads. On the New York Central the proportion of freight eastward to freight westward is 730,258 to 297,928, or 100:41; and on the Pennsylvania Central it is 480,141 to 274,213, or 100:57. The Grand Trunk does not publish returns of its downward and upward freight; but we have obtained a statement of it from Mr. Hardman (Qu. 223), who gives 413,074 to 209,897, or 100:51. There is little doubt that this proportion gives an exaggerated view of the freight upwards, as on the average it is carried for shorter distances; but the same remark will apply to the other two roads, and it is a very favorable feature in the traffic of the Grand Trunk, that in this most important particular it compares so well with its great rivals. It is true, that we can no longer consider 10 tons an average load for a car. The utmost average load which they can take both ways will be

| | |
|--------------------------------------|------------|
| On the New York Central, - - - - | 7.05 tons. |
| On the Pennsylvania Central, - - - - | 7.85 " |
| On the Grand Trunk, - - - - | 7.55 " |

But if we correct the daily journey of a loaded car, as given above, by these figures, though the mileage will be greater, the relative position of the three roads will hardly be altered. The daily mileage of a car with the full average load which the business of the line admits of, will be

| | |
|--------------------------------------|-----|
| On the New York Central, - - - - | 35½ |
| On the Pennsylvania Central, - - - - | 34 |
| On the Grand Trunk, - - - - | 16 |

During the past half year there has been a considerable addition to the number of cars, increasing the number per mile to 2.90, and the traffic has

also increased, but if the same calculations are made, the average daily work of a car comes out almost identical with that of the previous year.

From these calculations we think that the unavoidable conclusion is, that, deficient as the rolling stock may be in number, it is not kept as usefully and constantly employed as it ought to be, and as it is on other roads. The engines run a less average number of miles per day, and draw on the average a less load, and the freight cars do not on the average make one half as long a daily journey as those of the two roads under consideration.

Whilst pointing out the small amount of work which is performed by the existing rolling stock, in comparison with what is accomplished on other railways, and in expressing an opinion that it is in part owing to defective management and an imperfect organization of the traffic department, we are fully sensible that one very material cause of it is beyond the control of the officers of the Company, and arises from the insufficiency of the station accommodation at almost all the important points on the road.

This has been a constant and just cause of complaint, and we would refer to Mr. Shanly's report (App. p. 89) and to his evidence (Qu. 36-41,) as also to the evidence of the Honble. John Young (Qu. 114) and Messrs. Esdaile (Qu. 140) and Heward, (Qu. 141), which relate principally to Montreal, but the same difficulty exists, though perhaps to a less extent, at almost all the principal stations. Whilst there has been the most pressing demand for rolling stock to carry away the thousands of tons of produce, which have been accumulating at all points of the road, the loaded cars have been lying idle for days, and even weeks, from want of storage room for their cargoes; and when they are unloaded, it is by the slow process of manual labour, often in situations difficult of access, instead of there being mechanical facilities afforded to make the cars available in the shortest possible time for another trip. It would doubtless be desirable to increase the stock of cars and engines, but the first and greatest want is to provide the means of working what they have to advantage, without which we fear that any material addition would only increase the confusion, and still further block up the road.

Making every allowance, however, for this deficiency of appliances for a large freight traffic, which is the main difficulty, and which has incidentally led to other causes of delay, we cannot look back at the evidence which has been laid before us, without expressing our opinion, that there has been mismanagement and defective organization to a very serious extent. We have not specially sought for examples of this; they have presented themselves to us in every direction. We have only called for the evidence of a few of the customers of the road to establish some instances, but similar cases have been given to us by almost all persons who have had dealings with the Grand Trunk. When produce has been delayed for weeks in passing over a few hundred miles (Qu. 96, 139, 191)--when we hear of a ship having to leave Portland without part of her freight, although it afterwards proved that the freight, amounting to 2000 bls. of flour, had been lying for some weeks in the cars at the port from which the ship

sailed (Qu. 115)--when upon another occasion the company go to arbitration upon a quantity of wheat short delivered, and the arbitrator traces the missing grain to three loaded cars lying at their own head station at Montreal (Qu. 116)--when it is within the personal knowledge of one of ourselves, that cars having been obtained with great difficulty to go up to Collingwood for flour, one of them upon being opened was found to be full of wheat, which had come back certainly 96 miles, and possibly all the way from Montreal--and when the same member of the commission has known loaded cars to be a week or ten days in being moved from the Queen's wharf at Toronto to the Don station at the other end of the City--when we know that these are not solitary instances, but that similar occurrences could have been multiplied in the evidence, we must come to the conclusion that no addition of rolling stock, and no extension of station accommodation, could improve the position of the company, until there is a better organization of the traffic department.

It would evidently be impossible for us, nor is it our duty, to suggest the reforms in the internal organization and management of the Company, which might be expected to prevent the recurrence of such disastrous delays, as have occurred during the present season--delays which have been aggravated by the unprecedented accumulation of snow on the track, but which cannot be attributed solely to that cause, as the dates of some of the instances we have given clearly prove. We may, however, be permitted to point out some of the defects in the present system, which, in considering the cases which have come under our notice, have struck us as mainly contributing to produce the result.

The great extent of the line must always render the efficient management of it more difficult than that of a shorter road, and the difficulty must be met by a more perfect organization than has been found necessary on other roads. Thus on a road of moderate length, and with its main traffic running between the two terminal points, the difficulty of maintaining a vigilant superintendence over the employment of the rolling stock will be much less, than on a road of such a length as the Grand Trunk, and with so many centres of business. In the former case, the manager has it almost under his own eye, but in the Grand Trunk he can only judge from the reports of his subordinates. There does not appear, however, to have been established any sufficient system of reports, from which the General Manager, at Montreal, can see where his rolling stock is, and how employed. In many of the cases which have come before us, the cars and their load have been as it were lost, and the owner of the freight has had to make a search for it, which clearly should have been unnecessary. We do not believe that the rolling stock of the Grand Trunk can ever be worked up to its full capacity, until the Manager at Head Quarters can at all times see how his cars are distributed, and how employed, so as to be able to keep a check upon the punctuality of his subordinates. Under such a system, it would have been impossible that 20 cars loaded with flour should have been lost sight of for some weeks at Portland, or that a goods train should be detained a week in Toronto, in passing from the hands of the Superintendent of the Western, into those of the Superintendent of the Central District.

Another evil appears to us to be the division of responsibility amongst the several Departments. Each District has a Superintendent, who is responsible to the General Manager, but there is little concert between the several Superintendents, and at Toronto there is a debatable ground of two miles between the end of one District and the beginning of another. The Traffic Manager makes contracts for carrying freight, but he cannot say when it will be moved, for he has no control over the rolling stock. The General Manager has authority over the latter when on the road, but he is dependent on the Locomotive Superintendent, the head of an independent Department, for his supply of engines and cars, who says he supplies them "when practicable;" even the two principal authorities on a train in motion, the Conductor and the Engine driver, are servants of separate and independent Departments. So also, when the road is blocked up with snow, the Engineer supplies and directs the manual labour, whilst the General Manager alone can run the snowploughs, which the Locomotive Superintendent alone can furnish. It is doubtless necessary to maintain separate Departments, but there appears wanting an executive head to harmonize the whole—not merely a Managing Director, whose attention is necessarily engaged with financial arrangements, Board meetings and the general interest of the Company, but a practical Manager, who should have full authority over every thing which affects the working of the road, whether engines and cars, or fuel, or the maintenance of the roadway, with, as Mr. Shanly suggests, a travelling assistant who should be constantly moving over the line. In connection with this subject see the evidence (Qu. 102-5, 146-58, 171, 209, 229.)

These appear to us the principal defects at present, but no improved system would work satisfactorily until more storage room and siding, and greater mechanical facilities for loading and unloading rapidly, are provided at the great centres of trade, and where the railroad comes in contact with the water and with other lines. Were these provided, and the punctuality of the Company in delivering freight ensured, and, we may add, were its financial position such, as to inspire confidence in the mercantile community in its ability to be accountable for the property entrusted to it, we believe that freight would offer itself to an extent, which would justify any increase of the rolling stock, up to the limit which could be worked on a single track. The local business of Canada alone would in ordinary years give very full employment to the road, whilst, if the Through Traffic can be taken at remunerative rates, the amount of produce, seeking an outlet from the west to the sea board, is enough to supply all the existing routes with as much business, as their Local Traffic enables them to accommodate.

The last season has, no doubt, been an extraordinary one, from the great abundance of the harvest; but it must be borne in mind, that the peculiar circumstances of this continent dictate a different policy, from what is the rule in older settled countries. There the traffic is pretty uniform during the year, and there is no great difference between the upward and downward freight. Here, not only the bulky nature of our principal exports occasions the eastern traffic very much to exceed the western, but as the former is, to a great extent, farm produce, it occupies the road generally for a limited portion of the year. For the same reason, a plentiful

harvest in Europe principally acts upon the carrying business indirectly, as giving a general liveliness to trade, whilst here it operates immediately, as supplying the great bulk of the downward freight. The consequence is, that every carrier here must be equipped to do the full business of the active months, though at other seasons he may be overstocked with plant, and to a minor extent, he must be prepared to carry the freight of active years, though in others he may not be fully occupied. He must, moreover, expect to make his profit principally in one direction, and to return but partially loaded. For these reasons it is evident, that the proportion of rolling stock to the freight actually carried must be very much greater on this continent, than where traffic is more equalized. We are willing, therefore, to recommend a large addition to the rolling stock, but not until such other changes are made, indicated above, as will enable it to be used to full advantage.

In thus expressing our opinion as to the amount of business, which may be expected under better arrangements to flow over the Grand Trunk Railway, we have implied a doubt as to the through traffic yielding remunerative rates. It is no new question, but one upon which opinions have been long divided, not only in Canada, but in the neighbouring States of the American Union. In spite of the unequalled natural channels, which the St. Lawrence and the Mississippi and its tributaries afford for penetrating into the heart of the continent, and in spite of the numerous artificial routes which have been opened into it, the trade of the west has increased as fast as the means of outlet have been provided, and the strife after this great carrying trade has been the leading feature of all the American undertakings of this character. It has been the cherished policy of Canada to draw it down the St. Lawrence; and the Erie Canal, and all the great lines of Railway, have looked to it as their main source of profit. The consequence has been a spirit of competition, which has reduced the rates to the lowest verge, which will yield any profit at all, if it has not in some cases fallen below it. Whilst the rates for local traffic have been maintained, those for the western trade have been reduced so as to raise reasonable doubts upon this subject, and there have been few subjects of commercial interest more thoroughly canvassed of late years, than the disproportion between the rates for through and local traffic. Whilst on the one hand, it has been doubted whether the Railroad Companies have been pursuing a wise policy in their own interests, on the other hand, the public at large has entered into the controversy, and has raised the question, whether it is just to it that the local rates should be so much disproportioned to those for the through traffic, and whether, during the most active months, the disposable means of the roads have not been too exclusively employed to forward the distant freight, to the serious inconvenience of that awaiting transport along the line. It is argued, that the through traffic is really carried at a loss, which is compensated for by the extra charges upon the local business, which is comparatively free from competition.

It is so evident that the freight, which goes over the whole line, can be carried at little more than the cost of moving, whilst the local traffic must bear the expense of the stations and staff along the line, and of the frequent delays and waste of power, consequent upon the fragmentary

nature of the business, that it is believed the popular cry for a *pro rata* tariff is not now sustained by persons of intelligence; and the uniform persistence of all roads in the same policy must lead us to believe, that commercially it has not been found disastrous. Still, it is clear that the limit has been almost reached upon most roads, below which an increase of through business would only be an increase of loss. If this is the position of all the leading lines, and that each is obliged to fix its maximum rate, from any of the western centres to the sea-board, at what the others charge, it follows, that the question, of whether it carries at a loss or not, must depend upon very trifling differences in the advantages of each line.

Now, from all the great markets in the west, the distance is greater to Portland by the Grand Trunk than by other lines to Boston, New York or Philadelphia; the climate makes the expense of maintenance fall heavier; and, whatever may be the cause, there is no doubt, that the average load which can be taken is smaller than on most of the other roads. On the New York Central, a very common train is 30 loaded cars, whilst on the Grand Trunk, even in fine weather, 20 appears to be the limit, and on some sections they cannot exceed 15. We cannot therefore believe, when the through rates from Chicago to New York and Boston yield barely a profit, that the Grand Trunk can afford to carry from Chicago to Portland at the same rate, which Mr. Shanly in his report (App. p. 93) shews to be 16 per cent. per mile lower than that to New York. Yet, in grasping at a large western trade, which swells the apparent traffic, and diverts their attention from a more legitimate business nearer home, without any corresponding profit, the Grand Trunk has even attempted to underbid the other roads. In their advertisement for through rates for the winter of 1859-60, they proposed to carry freight from Liverpool to the West *via* Portland for less than the current rates from New York to the same places---according to a pamphlet published in New York in 1860, entitled: "Legislative Restrictions on the carrying trade," their rates were less to Detroit by \$2 10, and less to Chicago by \$7.67 per ton. Latterly the five leading roads have met in convention, and have agreed to charge the same rates from each central point to the Ocean, and the longer and most expensive route must carry at a disadvantage. Yet, with a manifest inferiority in taking freight even to Portland, the desire to obtain through business has led the Company to carry it on to Boston at the same rate. It appears doubtful to us whether it does more than pay to take it to Portland, but out of their scanty earnings they pay \$1 50 per ton to another company to take it on to Boston.

The policy of the Company in this particular appears to us to be so mistaken, and so injurious to the best interests of the road, that we do not hesitate to consider it more in detail. Up to February, 1861, the rate from Detroit to the Ocean, as fixed by the Convention, was 70 cents per barrel for flour, and whether the freight was delivered at Portland or Boston, the Grand Trunk charged the same rate, although in the latter case, it had to pay out of the 70 cents 15 cents to the steamers which run between Portland and Boston, leaving for the Grand Trunk only 55 cents or about $\frac{64}{100}$ of a cent per mile. The Revenue accounts shew, that for the last two years the proportion of 85 per cent, which the running expenses bear to the

receipts, has remained nearly constant, and supposing the through business to yield the average profit, which may well be doubted, it would cost the Company, in running expenses and maintenance, $59\frac{1}{2}$ cents to take a barrel of flour from Detroit to Portland, leaving a net profit of $10\frac{1}{2}$ cents. Yet they pay 15 cents to the Boston Boats, and have consequently expended $4\frac{1}{2}$ cents for the privilege of carrying the barrel, and of swelling their aggregate returns of business.

In the foregoing calculation we have taken the rate on flour downwards as our guide, but the returns enable us to make a somewhat similar estimate upon the whole traffic. From the statement given in Appendix XVI, C, for the half year ending June, 1860, it appears, that of the trade to Boston, about one-third in quantity comes from Detroit, yielding rather more than one-third of revenue. Taking this, which is the real through traffic, which such efforts are made to obtain, it will be seen that it is taken at the average rate downwards of \$6.276 per ton, or 0.735 c. per ton per mile, rather more than our former estimate; and as the back freight yields a higher rate, the average rate per ton per mile both ways is 0.786 c. It further appears, that the proportion of freight from Detroit to Boston is to the return freight as 6,517.05 : 418.72 or as 100 : 6.42 : so that if we take 10 tons as the full load of a car, the average load both ways will be only 5.32 tons per car or 106.4 tons per full train of 20 cars. The average earnings of a full train engaged in this trade will therefore be 83.630 cents per mile. Now referring to the statement of the cost of the Locomotive and Cars Departments appended to Mr. Shanly's report (App. p. 101) it appears, that in the same half year, the cost of engines per train mile run was 23.922, and of twenty cars 21.740c.; and the cost of maintenance of way per engine train mile being 21.383, it follows, that the trains, which earned 83.630 c. per mile in this trade, cost in these three items alone 72.045 c., or 86 per cent—rather more than the proportion of expenses of every kind to receipts on the whole line. We think therefore that we are fully justified in our opinion, that the through business is the least remunerative part of the traffic of the Grand Trunk; and if we could add to the three heads of expense already named the fair proportion which it should bear of other expenses, some of which, as the ferry at Sarnia and the American Agencies, arise almost altogether out of it, we believe that it would be found, that every ton of the much coveted through business is carried at a positive loss.

Next to the trade of Detroit that between Toronto and Boston is the most important, the two forming nearly two-thirds of the whole Boston business, and it is carried at a scarcely less loss, the expenses under the three main heads being upon the same principle found to be very nearly 84 per cent on the receipts. Almost the only portion of the business which is carried at remunerative rates appears to be that of Montreal, which is principally composed of up freight, and yields an average rate of 1.725 c. per mile; but it is insignificant in amount, being only \$3,815 out of \$129,725.

The reasons assigned for this apparently improvident arrangement are, (Ques. 144) that Portland furnishes no buyers who contract for through freight, whilst the applications from Boston are numerous; and that a cer-

tain amount of up freight can be obtained from Boston, which is a point of the greatest importance. As to the latter reason, it does not appear to us that the returns exhibit any superiority of Boston in this respect. By Mr. Hardman's return already quoted, (Ques. 223) the up freight on the whole line was 51 per cent of the down freight, but the return freight from Boston was only 18½ per cent in amount, and 22 per cent in value, for the half year ending June 30th, and almost the same proportion is maintained in the next half year. On the other hand, the traffic return for the year ending June 30 shews the freight outwards from Portland, which includes the Boston business, to have been 72,212 against 148,720 inwards, and Mr. Allan's evidence (Ques. 169) proves that the trade of that port during the past winter would yield one-half as much return freight as was brought down. The Boston market may now furnish an amount of business which the managers are loath to resign, but we cannot believe that at the present rates it is worth retaining. A similar business to Portland may be remunerative with proper care, and the want of it at that port is stated in Mr. Shanly's Report (Appendix p. 86) to be the great difficulty in the future prospects of the road. Fully admitting this, we cannot conceive a more destructive policy than that which passes over Portland, and carries the trade through to Boston. If it be desired to foster a trade at Portland, it appears hardly consistent to carry it at the same rates to Boston. The larger market will always be preferred both by the buyer and the seller, the shipper and the ship-owner, unless some advantage is gained by going to the smaller. It is not desired that the Grand Trunk should make any sacrifice to favor Portland, but merely that it should let it retain its natural advantage as the terminus of the road, and should abstain from making a sacrifice to carry the freight beyond it to Boston. The harbour is an excellent one, and free from all charges, and the accommodation for shipping, according to Mr. Allan's evidence (Qu. 166-7), is even now good, and might easily be extended. Were the trade allowed to take its natural course, we believe, and the experience of this winter proves it, that a sufficient amount of shipping would frequent that port to carry away all the freight that the road could bring down. There would arise the further advantage from this course, that whereas the westward freight at Boston has many competing lines to carry it away, and but a small portion falls to the share of the Grand Trunk, the Company would take the whole of what arrived at Portland, and that port would continue to maintain on an increased trade the same superiority, which it now exhibits over Boston with respect to return freight. If it be argued, that the other roads would, in this case, lower their rates, and drain away the business from Portland, we believe that it would be prudent in the Company to abandon the contest, rather than to carry at a certain loss, and to give greater attention to the already large local traffic, which we feel convinced is susceptible of being much more extensively developed.

- In connection with this subject we cannot refrain from quoting a passage from the able report of the Railroad Commissioners of the State of New York in 1855, which gives such an accurate outline of the history and career of the Grand Trunk, that one can hardly believe it to be a mere general description, and not based upon the particular case.

“ In the natural anxiety to secure the construction of the work, estimates are presented underrating the cost and overrating the prospective profits.

“ These under-estimates require an earlier resort to loans, and the first bonds being exhausted before the completion of the work, the issue of a second series becomes necessary, while the equipment is either left wholly or in part to be obtained by a floating debt, pledge of income, or some other financial chicanery.

“ This early resort to debt, before enough has been expended to give a good basis of security, involves a large discount, which is perhaps doubled with the second issue; when a floating debt becomes the only means of financial completion, the rapacity of the lender is the only limit to the shave which must be paid.

“ Such a process sinks the value of the stock to its lowest ebb, and the continued drains for the payment of heavy interest keeps it there beyond the hope of recovery.

“ Moreover contracts made wholly or in part payable in stock or bonds, greatly enhance the cost of the work; and the contractors are rarely able to hold such securities, and must hypothecate or dispose of them at a ruinous discount, and the Company must pay increased prices to provide for such losses.

* * * * *

“ It is a common and most delusive error to suppose that Companies can be advantageously supplied with money by mere financial operations; those who have tried it have found to their cost that it but defers trouble to some period when it will return upon them, loaded with a frightful mass of discount and accumulated interest, to swallow up all that has been contributed in good faith by the Stockholders.

“ To errors made in the first construction of some roads is added a constant increase of the capital from year to year, until the point is reached where the profits on even a large business are insufficient to meet the interest of its cost, and sometimes even of its debts. This increase of cost grows out of a departure from the objects aimed at in its original construction, and a chase after the phantoms “through business,” “western connections” and “tributary roads;” while by the expenditure of further sums for “more equipment,” “larger depots,” “steamboat connections” and “material aid” to connecting roads, an aggregate capital has accumulated, the interest of which will impose a tax upon its local business, inasmuch as for its through business it is compelled to maintain a competition with rival lines, which can and do perform it at a minimum profit.

* * * * *

“ A considerable portion of this increase of business is done at too low rates to be profitable, while a large portion of the *legitimate* increase would have been received without an effort on the part of the Managers.

“The Stockholders and the public are continually informed of their large receipts, of the increase over those of former years, and of the prospects of future business, all of which they are led to believe can be done without any corresponding increase of expenses, but year by year they find that with the realization of the full amount of anticipated business, their net receipts are not only not increasing, but that in the meantime their stock is being diluted, or their property loaded down with funded or floating debts; and also that the expenses of working the road have increased faster than the proportionate increase of business.”

In spite of such warnings as these, the temptations of the apparently inexhaustible business of the West, have proved too strong to be resisted, and the through traffic has been, and will probably continue to be, eagerly sought for, and too often dearly purchased. It is not that it forms the main business of any of the roads, for in all the local traffic exceeds it in amount. It is not that it is the most remunerative, for the local traffic is universally acknowledged to pay the best. This is clearly admitted by Mr. Shanly in his report (Appendix page 82,) yet the main argument in favor of the through business is, that it can be carried so much cheaper than the local—the former at little more than the mere expense of moving it, whilst the latter must bear all the cost of the stations along the road. That it can be carried profitably at a lower rate, there can be no doubt; but it is by no means so clear that the proportion between the rates has been hit, or or that $\frac{1}{100}$ of a cent per ton per mile from Detroit to Portland, can pay as well as $1\frac{2}{100}$ cent from Toronto to Montreal. Besides this, it seems to be forgotten that, if the local traffic entails charges peculiar to itself, the through business has also its own expenses, from which the local is exempt. The former offers itself spontaneously, the latter has to be sought after, subsidized, and coaxed into the line by an expensive machinery. We have endeavoured to set down some of the expenses which the strife for foreign business has entailed upon the Grand Trunk during the past year.

The Detroit and Port Huron road was not in any way wanted for the trade of Canada, but was merely acquired as a feeder, from which the trade of the west was to flow into the Canadian road. For this branch a rent has been paid, or rather incurred, of..... \$169,321.71

The expense of working it has been..... 161,046.26

The receipts..... 85,672.87

Loss in working..... 75,373.39

Sarnia ferry..... 14,631.39

90,004.78

Total cost of Detroit road..... 259,326.49

American Agencies..... 42,512.59

Paid Boston Boats..... 60,757.99

362,597.07

As the whole foreign tonnage for the year ending June 30th was, according to Mr. Hardman (Qu. 223) 93,686 tons, (that for the year ending December

31 is not accessible), it appears that the Grand Trunk expended about \$4.00 per ton to procure foreign traffic, which we have shewn before that, when they had got it, they carried at a loss.

This is evidently a very rough estimate of the result of a year's grasping at foreign trade. It is unjust to the through business, inasmuch as the Detroit Line was not built for one year's work, and will probably serve hereafter as a more efficient ally, and it moreover omits all consideration of passengers. But, on the other hand, it takes no account of other injuries to the best interests of the road, resulting from the undue prominence given to the through business. Thus the resources of the Company have been weakened, and their ability to accommodate the local business has been impaired. An expensive station has been undertaken at Sarnia and the only elevator on the line has been built there, at which, if we are rightly informed, two cargoes of wheat have been transferred to the cars, whilst at Montreal, the centre and key of the trade of Canada, the owners of wheat have suffered, according to the evidence of gentlemen in the trade, a depreciation of 5 cents per bushel in consequence of the difficulty of unloading it; and whilst the Company itself, complaining of a want of rolling stock, has been obliged to convert its cars into grain warehouses for days and even weeks, from the impossibility of freeing them from their cargoes.

The loss which has been suffered by private individuals, and by the Province at large, during the past winter from the difficulty of getting their produce to market, would be difficult to estimate, but must amount to a very large sum. Amongst the very few witnesses we have examined on this point, we would especially refer to the evidence of Mr. Jas. Young (Qu. 96), Mr. Esdaile (Qu. 139), Mr. Heward (Qu. 141), and Mr. Howland (Qu. 191, &c.) We are far from attributing the whole of this to the Grand Trunk. The unusual severity of the winter, and the abundance of the harvest, which crowded upon them whilst unprepared to meet the demands of the public, can hardly be charged against the Company. We believe, as is stated to us by the officers of the Company, that when the pressure came, a preference was given to Canadian produce, and that the through business was almost abandoned. But amongst other causes, which have been above alluded to, and which will be referred to hereafter, of injudicious arrangements on their part, we believe that the confusion and delays of this season may to a very great extent be attributed to this, that all their attention had hitherto been given to, and their main policy based upon, the attainment of a large through business, to the neglect of the accommodation which might be required of them for the trade at their own doors.

We have before said that this is no new subject of complaint on this continent, and that all the leading railways in the United States are charged with the same neglect of their local business. But in the nature of their local trade they differ very much from Canada. The country through which they pass has, in most cases, ceased to be a great grain exporting country, and their principal local business is either independent of the produce of the farm, and therefore more evenly spread over the year, or it is a flour manufacturing business, and therefore as dependent upon the western traffic for its materials, as it is upon the local traffic to send it to

market. But a large portion of Canada is as much a producer of grain as Illinois itself. If the trade of the West be an object of ambition; the Grand Trunk has a portion of it at every station of Western Canada. When the farm produce at Chicago is seeking an outlet, so is that at Guelph, Toronto and Port Hope, with equal need for speedy transit, and with a better right to demand it. If ever the popular cry, that the local business must be served first, can be justified, it is on a road situated as is the Grand Trunk Railway. We repeat that we do not charge the Grand Trunk with having neglected Canadian interests this winter. We believe that the managers of the Company have done every thing, which defective arrangements and insufficient accommodation enabled them to do, to serve the trade; but we think that there have been radical defects in the policy of the undertaking, which have hampered their proceedings, and that, from an undue prominence given to western through business, they have been unable to effect for the trade of Canada what under a wiser system might have been accomplished.

It may be asked—do we then recommend that the Grand Trunk should retire from its position as one of the five great Railroads communicating with the West, and sink to a mere local road for Canadian traffic. This is by no means our desire. We believe, when a road has practically obtained a monopoly of that species of carrying trade, and has been constructed partly at the expense of the Province, that the people who have granted these privileges have a right to expect that their wants shall be considered first, especially when the rates charged to them are far higher than those at which the more distant freight is carried, and that it is not only the duty, but the true interest of the Company, to make provision for this. But we are likewise of opinion that, had the Grand Trunk pursued a wise policy, it might also have obtained a fair and remunerative share of the great traffic of the West.

For more than one half of its length the Grand Trunk runs parallel to the grandest water communication in the world. This is a fact which cannot be ignored, and upon which the prosperity of Canada, and of all interests connected with it, mainly depends. As long as the St. Lawrence flows from the Western Lakes to the Ocean, at certain seasons of the year, and for bulky articles, of which the exports of America principally consist, the water must continue to carry them at rates, which would be ruinous to a Railroad. It is useless to fight against nature—we must accept it, and endeavour to turn it to the best account. Yet from the inception of the Grand Trunk almost down to the present time, the policy has been to run in competition with the water,—to regard it as an enemy rather than as a most efficient ally. With the exception of Toronto, there is not a point from one end of the road to the other, where the object has not been, and we believe avowedly, to render communication with the water difficult and inconvenient—to run for more than 300 miles, within a mile or two at the most of the navigation, and yet to have no points where the two routes come in contact, or can interchange traffic. A line of rails a mile from the Lake shore forms no impediment to the produce of the interior, which seeks a cheap mode of transport, reaching the Lake; but it effectually prevents the Railroad from supplying the shipping, or from receiving from it such traffic, as the greater rapidity of the rail may induce to prefer that

mode of conveyance. Even at Montreal, the principal centre of Canadian trade, where the Ocean shipping comes in immediate contact with two lines of inland navigation, the Railroad has placed itself in a position where it cannot communicate with any of the three. It sought to avoid the water in the hopes of keeping every thing to itself, and the consequence is, that, according to the evidence of Mr. Heward, (Ques. 141,) wheat in a car at Point St. Charles is worth 5 cents a bushel less, than the same wheat would have been on board a propeller in the Lachine canal, a quarter a mile off; and as Mr. Heward says, that the elevator can unload from the barges per hour, what it would take two days and a half to unload from the cars, we arrive at this startling fact—that, in consequence of the deficient accommodation and remote situation of the principal station on the road, wheat intended to be shipped at Montreal is as far advanced, both as far as time and cost are concerned, when lying at Toronto, as it is when it has arrived at Point St. Charles—under these circumstances it is a matter of small surprise, that the railroad is not able to compete successfully with the water.

It is not only the water, and the facilities for trade that it affords, which the Grand Trunk has avoided; it seems systematically to have placed itself beyond the reach of the business of almost every town which it passes. On the whole length of the line from Sarnia to Montreal, it is only at Guelph and Toronto, that the station is in proximity to the town. Even at such an important point as Detroit, the Junction is at temporary sheds, three miles west of the city, and we are informed by Mr. Hopper, one of the conductors, that from the inconvenience of the connection, passengers from the west are with difficulty made to understand that they should not go on Detroit, to which place they are booked. Whatever may have been the cause of this—whether the desire of the contractors to obtain the station ground at less cost, or an expectation of drawing the town around the station—it has exercised a most injurious effect upon the business of the road. Mr. Shanly in his evidence, (Ques. 38), speaks of the necessity for erecting sheds at several stations, as from want of storage room, the country produce is taken *across* the track to adjoining ports. This is a necessary consequence of the location of the stations, and entails the expense upon the Company of providing storage, which, had they been in communication with the towns along the route, would have been to a great extent supplied by individual enterprise, or was already in existence, if it had been made accessible from the road. It is at Montreal that this evil is the most conspicuous, where it has been carefully estimated, that no less a sum than \$100,000 has been expended during the past season in cartage alone, between the station and the City; but to a minor extent it characterizes the whole road. If the Grand Trunk is ever to realize the expectations of its promoters, it is an evil which must be remedied at a heavy cost.

This attempt to isolate itself from channels of trade already existing, especially from the navigation, appears to us to be the radical defect in the policy of the Grand Trunk. In the interests of Canada and in its own interests, which are inseparable from those of the Province, it should have laid itself out to run in connection with the water and not in opposition to

it. It should have supplied the water with what the water could carry cheapest, and have been ready to receive from the navigation what the rail could carry most expeditiously. From Sarnia to Toronto, much traffic from the west, especially in preserved meats, where speed is an object, would have sought the rail—perhaps to go through, perhaps to take the water or some other channel, as cheapest, or as leading more directly to its destination. If it will pay the Northern Railroad to take freight from Lake Huron to Toronto by Collingwood, it would pay to take it *via* Sarnia; but the present discriminative rates are such as to act almost as a prohibition. The rate on a barrel of flour from Sarnia to Toronto, 169 miles, is 35 cents, or rather more than 2 cents per ton per mile, whilst the Company would take it through from Detroit to Portland, 854 miles, or even to Boston, for 70 cents, or at considerably less than 1 cent per ton per mile.

From Toronto downwards the navigation would have the preference during the summer for most of the freight; but if there were easy communication with the Steamers, the passengers would give the preference to the rail both ways between Toronto and Kingston, as well as upwards from Montreal to Kingston. From Montreal eastward, the rail would carry away what had been brought down before the close of the navigation, or what was intended for the Atlantic States, and would bring what was to be shipped by the spring fleet. But here again the discriminative rates act as an impediment. From Sarnia to Toronto the rate for flour, November 28, was 35 cents per barrel, and to Montreal 75 cents; from Toronto to Montreal 50 cents, and from Montreal to Boston 60 cents; whilst from Sarnia and Toronto through to Boston the rates were respectively 115 cents and 90 cents, and from Detroit to Boston 70 cents. The merchant at Toronto or Montreal is thus precluded by the difference in the rates from making either of these points an entrepôt, and selecting the time and route for sending his produce on to its ultimate destination.

The evidence of the Honorable Mr. Young, (Ques. 113,) shews how large a proportion of the western produce is destined for the consumption of the Atlantic States, and how small a percentage finds its way down the St. Lawrence. The latter fact is in a great measure explained by the former. The St. Lawrence already affords great facilities for transport to Europe, and they are being yearly increased, but for communication with the Eastern States it has no advantages. Assuming Mr. Young's figures, that five eighths or $62\frac{1}{2}$ per cent. is for consumption in the Atlantic States, of which the St. Lawrence can hope at present to carry little, it does not appear so small a proportion, that the St. Lawrence should take 7 of the remaining $37\frac{1}{2}$ per cent., being nearly one fifth of what is destined for exportation. If it is ever to be expected that any considerable share of the stream can be diverted through Canada, it must be by improving the communication with the non-producing States. As a means of access to the Ocean, the St. Lawrence affords facilities equal if not superior to any of the other routes; but with the exception of the Grand Trunk Railway, there is no direct connection between Canada and the New England States. Herein lay the strong ground of the Grand Trunk, if it had taken the full advantage of it. Mr. Young dwells upon the merits of the proposed

Caughnawaga Canal, and whilst we agree with him, that every thing, which would tend to make Montreal a great emporium, would ensure the prosperity of the Grand Trunk, we believe that the St. Lawrence as it gives the Company advantages, which it has never hitherto turned to account. The trade of the *Eastern States* being the great desideratum, the Grand Trunk can never compete for it by rail alone. It is only by putting itself in communication with the navigation, that it can hope to carry the heavy produce of the west as cheap as its rivals.

This appears to us to be the key to the true policy of the Grand Trunk to supply the water where the water can carry cheapest, and to receive from it what the rail can carry best—to look upon the interests of the great natural channel as identical with, and not as antagonistic to its own, and to help to build up a carrying trade through Canada, of which the road will get its full share. It is thus and thus alone that it can hope to compete with the other avenues for the western trade—not by striving to carry it the whole way at a loss, but by taking advantage of the natural cheapness of part of the route, and carrying it the rest of the way at a profit.

Hitherto we have considered the rates on the Grand Trunk with a view of shewing, that a great part of the business is carried at no remunerative price, if not at a positive loss. But the inequality of the local rates has been a source of very great dissatisfaction in the Province, and an impression prevails, that they have been designed to force the trade into particular channels. We do not think that, within the Province, there is any sufficient ground for this complaint, excepting in so far as they render it impossible to run in connection with the navigation. We are no advocates for a *pro ratu* tariff, which must either make the rates for long distances excessive, or those for short ones ruinously low; besides which, the competition, which exists in particular localities, must necessarily affect the rates at which it may be worth while for the Company to carry freight. Nevertheless, there is an amount of inequality in the local rates, which it is difficult to account for. It being admitted that the fixed charges for loading, unloading, &c., have to be covered by the rate, whether the distance be long or short, and that these are included in the rate for the first 100 miles, there does not seem any sufficient reason why the additional sum for carrying a second 100 miles should not represent the amount for which the mere carrying can be done, and that there should be a similar addition for third 100 miles. This is, however, by no means the principle adopted on the Grand Trunk. To shew the extreme inequality, we give a table of the rates per 100 lbs., from Montreal westward, on 1st, 2nd and 3rd class goods, from the tariff published November 12, and on flour from the grain tariff of November 28.

| | 1st. | 2nd. | 3rd. | Flour. |
|---|------|------|------|--------|
| Rate for 1st 100 miles, west of Montreal, | 24 | 19 | 15 | 13½ |
| Additional rate for 2nd 100 miles..... | 11 | 11 | 10 | 6½ |
| Do. 3rd do. | 13 | 8 | 5 | 4 |
| Do. 4th do. | 16 | 12 | 11 | 10 |

The reason why the rates on bulky articles are so much reduced in the third 100, is evident, as that is the part where the rail comes most into competition with the water; but it is difficult to understand upon what principle the additional rates upon every thing but flour increase as you go westward.

Another question of considerable interest arises, viz: whether the local rates are not in some cases too high, and whether a larger revenue would not be raised by reducing them. If on the one hand the station expenses of local business are high, on the other the low rate of speed at which the accommodation trains run reduces the cost of them. It would be impossible to lay down any general rule. On a road of such extent as the Grand Trunk, where the settlements are of various ages, and where there is so much difference in the habits of the people, a policy, which would be profitable in one section, might result in a loss in another. Still this question of developing the purely local business of the line is well worthy of the consideration of the managers, and has not hitherto been sufficiently attended to. The Rivière du Loup line is a notable example of what may be done in this way. By lowering the fares, and studying the convenience of the population, Messrs. Abbott and Freer (Qu. 242) succeeded in raising the receipts of this section, which has absolutely nothing but local business to depend on, to a respectable figure—very far in excess of the Detroit line, with all its through traffic. We entertain no doubt that a similar policy would materially increase the receipts between Quebec and Richmond, and probably on many other sections. (Qu. 243,250.)

During the late discussions which have arisen out of the financial difficulties of the Grand Trunk, there has been nothing that has been so frequently urged and dwelt upon, as the necessity for working the road on "commercial principles." We are not aware of any thing in the history or management of the Company which has prevented this most desirable result. The projectors of the road in its present form, men thoroughly conversant with railways, came out to this country to carry out the scheme, which had already been determined upon, of a main line throughout the Province, destined ultimately to be continued on to New Brunswick and Nova Scotia. They were aware that some parts of the line would have a larger traffic than others, but they accepted it as a whole, nay eagerly sought after it. That the road, which the whole Province contributed to aid, should run through the whole Province, was part of the original bargain—the condition upon which the several Companies, now united, were incorporated—and this is the only legislative interference which there has been from the commencement of the undertaking until now, except when the Company on its own application has been released from the responsibilities which it undertook. Such conditions every Company, which seeks for exclusive privileges, must submit to in all countries; the principal difference in this respect between Railroads in England and on this continent being, that there it is influential proprietors whose support must be conciliated, or their prejudices disarmed, whilst here it is influential sections of country, whose interests must be studied. For the original scheme of a main trunk line from one end of Canada to the other, the Province is responsible, but in the carrying out of the plan in detail there was no

external interference. If the contractors, either with a view to their own profit, or from a mistaken policy, avoided the navigation and every town in Canada except Toronto and Guelph, it was not through any pressure of the Legislature, or of any Canadian interest. But if there has been no interference by the Province in the location of the road, still less has there been any in the management. Practically the road has been managed in London by men of the highest standing in the commercial world, and all the managing directors and heads of departments, with the solitary exception of Mr. Shanly, who found the Company organized and its policy established, have been selected and sent out by them. (Qn. 227-9) If the building and business of the road have not been conducted on "commercial principles" it has certainly not been from any interference of the Legislature or of the government. That the whole policy of the Company up to the present time been a mistaken one, we have already expressed our opinion, and we feel convinced that until it is abandoned, there will be little hope of commercial success for the enterprise; but we feel bound to say that that policy has not originated in Canada.

The preference given to through over local traffic, both in the rates charged and in the accommodation afforded, and the isolation of the road from the natural channels and centres of trade have been fatal defects, but the minor traffic arrangements have been scarcely less disastrous. There can be but one opinion as to the impolicy of the agreement with the Great Western, even if it be not in direct contravention of the Railway Clauses Consolidation Act, which prohibits the granting of exclusive privileges to any persons or class of persons. The agreement gives the Great Western a share of the traffic in which they do not compete, and does not give the Grand Trunk a share of the traffic going to Suspension Bridge in which they do compete. The return of traffic subject to division (App. XIII) shows that up to December 31, the Grand Trunk had received for freight and passengers \$250,306.01 and the Great Western \$208,760.23; yet, though earning the larger amount, the Grand Trunk, after deducting 35 per cent. for working expenses, was to give the Great Western 3-5 of the balance, and after the same deduction the Great Western was only to give the Grand Trunk 2-5 of its earnings. The amount payable to the Great Western on the balance was therefore \$13,346.18; but this by no means represents the whole loss. The working expenses of the Grand Trunk have been shown to be 85 and not 35 per cent., so that the net profit upon this part of the Grand Trunk's trade, about one fourteenth of the whole, was only \$37,545.90, and they not only agreed to pay all that to the Great Western, but also \$5300 more out of their scanty earnings on the rest of their route. But it is not only in what they had earned, and have thus given away, that the impolicy of the contract consists; we must also take into consideration, what is not so easily estimated, the trade from which they debarred themselves by excluding themselves from interchanging traffic with the Buffalo and Lake Huron road, and through it from a connection with Buffalo. Upon this subject we would refer to the evidence of Mr. Pennington, the Goods' Manager of the Company (Question 175), and we might easily have multiplied such opinions, had not the universal conviction of every persons acquainted with the subject, and the general impression that the contract is not binding, rendered it unnecessary further to encumber the evidence.

The contract with the Lake Ontario line of Steamers has been almost as great a loss. For the first time in the history of the Grand Trunk it has placed itself on friendly terms with the lake craft, though Mr. Shanly appears still so far carried away by old traditions, as to be half reconciled to the loss which he shares, by the consideration that the season's business proves, that steamers can not make head against the railway. The principle of friendly interchange was a sound one, but the method of carrying it out was unfortunate; it might have been obtained without a partnership, and the experience of all railroads, we believe, which have run steamers in connection with their road, has proved, that it is unwise to depart from their own peculiar line of business. The loss in the season's work has been \$70,709.62 (App. XII p. 75,) of which the Grand Trunk has to bear half, even if there be not further calls upon it (Ques. 111, 112). Mr. Shanly in his Report (App. XIV, p. 84,) argues that this loss is more than compensated by the increase of receipts from passengers; but in this conclusion we cannot agree. The increase of receipts in 1860 over 1859, from passengers on the Central Division was as \$565,743 to \$507,466, or about 11½ per cent.; whilst the increase on the whole line which was open in both years was 13 per cent., and if the loss by the steamers be deducted, the increase will only be 4½ per cent. on the Central Division, against 18½ per cent. in the Eastern and 9½ per cent. on the Atlantic Divisions.

The lease of the Detroit line appears to us the most improvident agreement, which the Grand Trunk has hitherto made with other Companies. We omit here all consideration of the question of through traffic, and of the sacrifices which must be made to obtain it. We have already stated our opinion upon that point at considerable length; but admitting that it was necessary for the interests of the road to have a connection under its own control with such an important point as Detroit, the price which has been paid for it appears to us out of all proportion to its actual value. The road is something less than 60 miles long, over a country where the construction is easier than over any part of this line, except perhaps the first 40 miles from Montreal eastward. It was handed over to the Company little more than a year ago, *without rolling stock*, at a capital value equal to £7500 sig. per mile, and the Company has since spent upon it, exclusive of rolling stock, \$39,546.03. It is therefore, although the easiest of construction, the dearest portion of the whole line. But great as the capital price of the road is, the Grand Trunk has to pay for it in the shape of a rent at 8 per cent. on that capital. We speak on this subject with some hesitation, as we do not in fact know what the present bargain is. At first it appears to have been that the Grand Trunk should work it, and pay the Detroit Company one half of the gross earnings—a certain loss, as the working expenses have always exceeded 50 per cent. This arrangement however was soon superseded by another, by which the Grand Trunk was to stock and work it, and pay 8 per cent on the share and debenture capital stated at £150,000 sterling. This agreement we give in the Appendix (II, p. 9), as furnished to us in December by the Company, but we are informed that there is a subsequent agreement which we have not been able to procure, and that negotiations are still pending. The whole question indeed appears to lie in the hands of the London Board, and of Mr. Blackwell, the

President of one road, and Vice-President of the other. The Direction of these two Companies is practically the same, it is the Shareholders only that are different.

The total loss by the Detroit road during the year 1860, we have before alluded to. It is \$259,326 or 8 per cent upon the gross earnings of the rest of the line, which only shews a net profit of 16 per cent, out of which to bear its own charges for rents and interest on capital. Mr. Shanly's special report upon the line, which will be found with Appendix (p. 104 et seq), is well worth perusal. It shows conclusively that the line never can pay expenses, and candidly admits that it can only be made to appear to do so by merging its receipts and expenditure in those of the rest of the road. We would especially call attention to his allusion to the French settlers along the line, whose sedentary habits, he says, render the local traffic of this section as unproductive, as that to Rivière du Loup; but we would at the same time point out that the receipts on the latter section (Appendix VIII, p. 44), were raised by Messrs. Abbott & Freer on the average of 11 months, although only partially opened during half the time, and having necessarily no through traffic, to \$33 per mile per week, and after it was all opened to \$43; whilst their compatriots in the West, including the much coveted through traffic of the Western States, only yielded for the year ending December 31, \$28 per mile, per week. The contrast between the two extreme sections of the road is instructive—the one is complained of as forced upon the company, and opposed to all “commercial principles;” the other is sought after as essential to their commercial policy, and is called by Mr. Shanly “a necessity which they could not possibly have avoided.”

The bargain with the St. Lawrence Dock Company is another instance of the unsuccessful diplomacy of the Managers of the Grand Trunk. Here again there were no Canadian interests involved, as the chief promoters of that undertaking are British Capitalists, who have already a deep stake in the Grand Trunk, and an influential voice in its management. It is not easy to see what the object was in subsidizing another Company to erect a wharf, when the Grand Trunk had ground of its own. But whatever the anticipated advantage may have been, it has not been realized. The Grand Trunk has paid \$123,000 to the Dock Company, but it has not acquired the wharf for which this was the consideration (Qu. 7).

The contracts with the Toronto Rolling Mill and Mr. Pomeroy's oil manufactory have been brought prominently forward, especially by the Auditors, as instances of mismanagement. With respect to the latter, from the evidence of Mr. Workman (Qu. 122,—24), and of Mr. Thorburn (Qu. 177,—9), we are disposed to believe that there has been much laxity in the manner of purchasing the oil, and that the cost has been higher than a similar article could have been procured for elsewhere.

With respect to the contract with the Toronto Rolling Mills, we do not agree with the accusation brought against the Company, that the agreement has been an imprudent one, and has entailed an unnecessary expense for this most important article of consumption. The Auditors base their opi-

nion upon the assumption that the owners of the Rolling Mills may by the contract supply new rails at their option, instead of rerolled rails, and that, deducting the value of the old rails, new rails may be purchased at a much less price than that paid for rerolling. (*Vide* App. p. 112 and Ques. 127.) As far as the proprietors of the Rolling Mills are concerned, the whole argument rests upon a misreading of the contract. (App. XX, p. 133.) It only provides for the re-manufacturing according to a process specified, and for delivering rerolled rails equal in weight to the old rails furnished. Should the price of iron be such as to induce the Railway Company to purchase new, instead of rerolling old rails, there appears to be nothing in the contract to prevent it, but no such option rests with the Rolling Mills Company. The saving which might be effected by using new instead of rerolled rails is variously stated by Mr. Workman, in his report, at from \$5 to \$9 per ton, and in his evidence at about \$18. Without attempting to verify the correctness of the prices of new and old iron as quoted by him, we may remark, that Thomas Brassey and Co., who have the contract for relaying the Northern Railway, get their rails rerolled at the Toronto Mills on the same terms as the Grand Trunk, which would hardly be done by contractors of such experience, were the price a ruinous one. We have enquired as to the prices at which rerolling is done elsewhere. At Boston and Troy the rate is \$25, at Cleveland \$24 per ton; but at these establishments the rails are not subjected to the process of hammering, which materially improves the quality of the iron. The fact is that the iron originally laid down over a large portion of the Grand Trunk is of a very inferior quality, and in order to turn out a good rail it must, before rolling, not only be subjected to repeated hammering, entailing both cost and waste, but the Rolling Mill Co., faces each rail with sufficient new iron of a superior quality to make up the weight delivered to them, (Ques 91, 94.) We do not say that the original inferiority of the iron can be altogether remedied by this process, but there is no doubt that it is most materially improved, and that if subjected to mere re-rolling it would expose the Company to loss, which a trifling saving in the re-manufacturing would by no means compensate. There are few causes of accident on a railroad which are more to be dreaded than the breakage of rails, which, almost invariably throws off some of the cars, causing much detention and damage to property, besides the risk of life. During the two last winters, on the Central Division alone, there have been about 800 rails broken each winter (Qu. 197-8), and between the 1st of January and the 4th of April 80 cars have been thrown off and damaged, and 20 trains interrupted (Qu. 225). This we presume to refer to the more important accidents only, as Mr. Shanly, in answer to Question 107, says "The destruction of property and the interruption of trains, owing to the breakage of rails, are very great and of frequent occurrence. In fact I may say that no day passes now (in March) without some cars being disabled or some train stopped from this cause; and that no accident has occurred to passenger trains, or that no life has been lost in any of the many accidents happening to freight trains, may be looked upon as purely providential. Besides the large additions to working expenses by the destruction of the Company's engines and cars owing to the dangerous condition of the rails, large sums will have to be paid for damages to freight incurred from like cause. On

the central division alone, considerably upwards of two miles of rails have broken like glass this winter." Mr. Cooke states that some of the rails have broken in 12 pieces. We have seen it stated, in the late discussions upon the Grand Trunk, that the severity of the climate renders the duration of the rails very short,—even 5 or 6 years have been named. The severe frosts, and still more the rapid alternations of temperature as spring approaches, are undoubtedly very trying to the rails, but if the iron be of a good quality, there need be no such wholesale destruction as has taken place on some parts of the Grand Trunk. The Montreal and Champlain Railroad was laid in 1852 with English rails of 56lb, (Qu. 132). It is thus older than the Grand Trunk, and though it has not as heavy a traffic, the engines, which generally do the damage, weigh as much; yet during the past winter only five rails have broken in 44 miles, whilst upwards of 300 have broken on the Grand Trunk between Montreal and Cornwall, 68 miles. This state of the track is one of the most serious features in the present condition of the Company, and a few dollars additional in the price of re-rolling is as nothing to the importance of obtaining a good article. We believe that the rails as re-manufactured at Toronto merit that designation. The quality of the rerolled rail, according to the evidence of Messrs. Cooke and Stark, Engineers on the Central and Eastern Divisions, (Ques. 201, 202, 215) is not only superior to the old rail, but to the later importations from England. This is proved, not only by the recorded opinion of those gentlemen, but by the fact that, on 32 miles of rerolled rails in those two divisions, only one rail has broken during the past winter. That this is not solely owing to the rails being new, is shewn by the breakage in the same time of 13 new English rails of the same pattern and of the same age, on about 22 miles laid with them.

A general lavishness of expenditure is one of the faults, which are charged against the management of the Company, a charge not altogether devoid of foundation. We believe that in all undertakings which involve a large expenditure, this is an error which is apt to prevail. The constant dealing with large sums begets a tendency in all parties concerned to undervalue small economies, and to imagine that a few dollars in this or that item will not be felt, amongst the millions involved in the Company's transactions. The very nature of the subject renders it impossible for us to deal with it otherwise than in general terms; but it is an important point for the consideration of the officers of the Company, for a multitude of small leaks may as effectually sink the ship, as a large one which more readily attracts attention. We will however point out a few of the minor instances of lavishness, or defective management, which have struck us during our investigation, or which have been prominently brought before the public.

The hotel at Sarnia, appears to us a notable example of extravagance. At this remote point a large station has been erected, a part of which has been expensively furnished, and is called in the accounts an hotel, but it is not intended, except the refreshment rooms, for the accomodation of the travelling public, but for the superior officers of the Company who may

occasionally be called there. (Ques. 181, 185). The cost of this establishment in the year 1860 was

| | |
|----------------------|-------------|
| For wages | \$1,262 37 |
| “ Furniture, &c..... | 5,217 66 |
| “ Wines, &c..... | 5,693 31 |
| Total..... | \$12,203 37 |

Against which the receipts were only \$2,613 73.

The system of running special trains for the convenience of the officers of the Company appears to us to be carried to an excess. The mileage of special trains is given by Mr. Shanly (Qu. 43, 45) but it is not clearly distinguished how much is of the nature in question.

The number of free passes has been prominently brought forward by Mr. Chapman, but we do not think that in this respect the Company is open to censure. According to the invariable practice of railroads on this continent, the higher officers of other roads are furnished with season passes, and other officials, upon application from their principals, with trip passes. But excluding these and the Company's own servants, the number of persons who travel free is reduced within very small limits. The average number of trip passes according to the returns made to us is 19 per month, and many of these are persons closely connected with the road. Of the season passes, the officers of the Post Office and Customs Departments, both in Canada and the United States have 46 (the cars being treated as bonded warehouses); other Government officials, including Railway Inspectors, have 10. The names of the remaining 23 are given in the evidence, (Qu. 14) all of whom, with four exceptions, are intimately connected with the Company.

The method of purchasing and accounting for the stores is a most important consideration, as no less a sum than \$992,000 was expended through that Department during the past year. Upon this subject we would refer to the evidence of Mr. Thorburn, the present head of that department, (Qu. 58, 76), and to that of Mr. Workman, the Company's Auditor, (Qu. 119, 121). It is very clear that most inexcusable laxity must have prevailed in this department in the earlier years of the railroad, but there has been a great improvement latterly. The whole subject, however, of the purchase and issue of stores will require the careful consideration of the managers.

Mr. Workman (Qu. 126) has stated his opinion generally that the staff might be reduced, and a somewhat similar impression has been left upon our own minds, but it would require us to be much more conversant with the details of the work than we can pretend to be to entitle us to offer any positive opinion. We would only allude to two points in connection with this subject, viz.: the loss of time of the employes at Pointe St. Charles, mentioned by Mr. Young in his evidence (Qu. 118); and the serious increase of work in the Traffic Auditor's and Accountant's branches occasioned by the present

method of distinguishing the different sections of the road in the returns. The laws of the States, through which they pass, require that the returns of the Atlantic and Detroit sections should be kept distinct, and it may be interesting to have a record of the business on other divisions; but the results, as we have before stated, are very imperfect, and the attempt to keep them separate entails immense labour. Every passenger and every ton of goods, which goes over parts of two divisions, has to be divided *pro rata* to the mileage passed over, and similarly with the expenses. We believe that much important statistical information could be obtained with far less complicated arrangements. The freight and passengers inwards and outwards at each station are given, and whether the movement was eastward or westward might easily be added. The receipts from the business at each station could be similarly given. This would shew the proportion of earnings *by* any section of the road, whilst the present method only shews the earnings *on* the section. We believe that the former is the more important information, and could be obtained with far less labour. Again the movement to and from important centres, with the leading stations at least, would be very valuable information. The return which was made to us of the Boston business is a specimen of this, and it would be highly interesting to have similar returns for Portland, Montreal, Toronto, and perhaps some other points, where other channels intersect with the Grand Trunk. None of these require the divisions of the road to be kept distinct, and we believe the information given respecting the several divisions, particularly the distinction into through and local, to be comparatively unimportant.

In connection with the office business at Montreal we may mention another point relating to the accounts of the Company, which has struck us as very inconvenient. The main expenditure of the Company goes through an account called "Disbursement Account" which has its own separate cash. But besides this, most of the chief officers have a disbursement account. There is Secretary's Drawing Account No. 1, and Secretary's Drawing Account No. 2, and Managing Director's Drawing Account, and T. E. Blackwell's account, and many others. All sorts of miscellaneous expenditure pass through some of these accounts. In Mr. Blackwell's account may be found, with his own travelling expenses, furniture for offices, bonus to Pomeroy \$7,000, (\$2,000 of which was in excess of the contract, and has, we understand, been since re-paid), (Qu. 238), together with payments for the telegraph on the Detroit line before it came into the Company's hands, and on account of a wood contract at Cobourg. Great confusion arises from this system, and we could point to several consecutive folios of the Journal, occupied with nothing but correcting errors of entries, made by crediting expenditure to one of these drawing accounts when it should have been credited to another. As these minor accounts are only rendered periodically, sometimes at very long intervals, great liability to error ensues. One of the Secretary's Drawing Accounts has had \$24,000 at its debit unaltered for three years, but we are informed that it is soon to be closed, (Qu. 186).

To return to the question of the cost of the staff - Although some saving may probably be made in this respect, we do not think that it is in

the number or cost of the employés, or in the excess of expenditure generally, that the embarrassments of the Company have originated, but rather in the deficiency of revenue arising from their mistaken policy and the imperfection of their accommodation and organization. We have compared the expenditure with that of the New York Central, and we do not find that, taking all things into consideration, it is in excess of that road, but rather the contrary. The annual expenditure of the Grand Trunk on salaries and wages, according to the statements given in App. XXII, (p. 137), would be \$1,300,185; on the New York Central for the year ending September 30, it appears to have been \$1,947,863. If we compare the two roads in the points which principally affect the labour employed, we find that they had almost exactly the same number of engines and cars; the length of road to maintain, even including the double track on the New York Central, is greater on the Grand Trunk; and the porportion of tonnage moved to wages paid is almost the same on both. If we compare the wages with the whole expenditure, on the New York Central it was 45 per cent, on the Grand Trunk 46 per cent. We conclude therefore, taking the New York Central as a guide, that no great saving can be effected in the number or cost of employés on the Grand Trunk. It may be interesting to compare these two roads in other respects, both as to their receipts and their expenditure. The latter is not given under the same heads, but as we have the details of the several items, we can make a very close comparison, and we have prepared the following table, which points out some instructive results.

EXPENSES.

| | N. Y. Central. | Grand Trunk. |
|---|----------------|--------------|
| Maintenance of track and buildings..... | \$1399301 98 | \$ 790134 68 |
| Repairs of rolling stock..... | 803904 69 | 611192 66 |
| Running and Working expenses..... | 1685168 72 | 1151454 21 |
| General expenses..... | 390465 52 | 253801 62 |
| Total expenses..... | \$4278840 91 | \$2806583 17 |

RECEIPTS.

| | | |
|----------------------|--------------|--------------|
| From Passengers..... | \$2569265 13 | \$1219758 89 |
| From Freight..... | 4095933 53 | 1949227 92 |
| Miscellaneous..... | 292042 35 | 180671 37 |
| Total Receipts..... | \$6957341 01 | \$3319658 18 |

PASSENGERS AND FREIGHT.

| | N. Y. Central. | Grand Trunk. |
|----------------------|----------------|--------------|
| Passenger..... | 2261136 | 739498 |
| Freight in tons..... | 1028183 | 686625 |

We have no returns from the Grand Trunk of the mileage of the passengers and freight during the year, which would be necessary in order to

institute a strict comparison, but taking the number of tons moved as a test of the working expenses, the repairs of rolling stock and general expenses bear nearly the same proportion to the tonnage on both roads, the repairs of rolling stock being rather in excess on the Grand Trunk. The passengers however on the New York central are nearly three fold those on the Grand Trunk. The most remarkable difference is in the maintenance of track and buildings, where the expense is not much more than half on the Grand Trunk, although the road is so much longer. The difference in the traffic will not account for this; we can only attribute it to what we have before remarked, that so far from any of the expense of renewals being justly chargeable to capital, the full weight of the repairs of track have not yet been reached. The cost of iron alone on the New York Central was \$152,201, whilst the same item including ties, was only \$272,310 on the longer road.

It is in the receipts, much more than in the expenditure, that the difference in the two roads lies. In passenger traffic the Grand Trunk never can hope to equal the New York road, but in the freight, which forms the main item both of receipts and expenses, the contrast is very striking. The average receipt on each ton of freight carried by the New York Central was \$3.98 or 0.737 cents per mile of road, whilst on the Grand Trunk it was \$2.84 or 0.292 cents. We are aware that such a comparison must necessarily be a very loose one, as it does not take into account the distances over which the freight was carried in each case, but as the New York local freight is about $\frac{1}{3}$ of the whole, we believe that on the average the bulk of the freight was carried as long distances on the Grand Trunk as on the Central. The comparison strengthens the conclusion to which we had arrived before—that it is not so much any excess of expenditure, or any deficiency of remunerative traffic offering, as the low rates at which the through freight is carried, which causes the gross receipts to bear such an unfavorable proportion to the expenses of the road.

In connection with this subject we must call attention to the fact which has been brought under our notice by the evidence of Mr. Young (Qu. 117) and Mr. Esdaile (Ques. 138), that from the want of proper facilities for weighing at the several stations, fully 10 per cent of the grain in bulk is carried free on the Grand Trunk. We believe that, with the exception of Sarnia, there is no Station on the road where any provision is made for weighing wheat, and a car load is therefore estimated at 350 bushels, whilst it frequently holds 400, or even 415 bushels. As a large portion of the down freight to Montreal has been grain in bulk, the loss to the Company on this article alone, must, during the past season, have amounted to a very considerable sum.

There is one other point affecting the receipts of the road, which has been frequently dwelt upon, viz.: the amount paid by the Government for mail service; and it has been urged that the Company is in this respect very much underpaid, and that an increased postal subsidy, or a present advance based upon it, may be made a means of meeting, to some extent, its immediate financial difficulties. We do not propose to offer an opinion as to the sum which the Province may be fairly called upon to pay for

the postal conveniences afforded; but we submit some facts connected with the subject, which may aid the Government in coming to a decision.

When the road was first opened, the Government applied to the Company to state the rates at which they were prepared to carry the mails, and the following resolution was passed by the Directors, August 17, 1853:

Resolved--That the Postmaster General be informed that the Company is willing to convey the mails by all the ordinary trains running on the Railway, at the rate of £27 10s. (\$110) per mile per annum, including in this charge the conveyance of a Conductor sent in charge of the mails." (Quest. 15.)

No definite bargain, however, seems to have been made, and from that time until September, 1858, the question remained in abeyance, the Government paying not only the Grand Trunk, but all the other roads, what they thought reasonable, and the Railway accepting the money as payment on account. In September, 1858, however, an Order in Council was passed, the substance of which is, that the Railroad Companies should be paid, not a certain sum per mile over the whole road, whatever trains were run with mails, but \$30 per mile for all day trains carrying a mail, and \$40 for night trains. In the early part of the present year, the subject again came before Government, and the Grand Trunk and Great Western (the only dissenting roads), were paid at the rate of their original offer, (viz: Grand Trunk, \$110, and Great Western, \$100,) until the date of the Order in Council of 1858, but since that date the payments are made upon the scale therein laid down. Besides these rates, which include ordinary trains only, the Company charges for special trains, when they are required to suit the hours of the Ocean Steamers, at a rate varying according to circumstances, from 30 cents to \$2 per mile run. These charges have never been disputed by the Post Office. The United States Government pays the Grand Trunk on the Atlantic District, \$100, and on the Detroit, \$43 per mile.

These are the main facts with regard to the Grand Trunk, but we have made enquiry as to the practice in this respect in the neighbouring Union, and we find it very various. We have before instituted comparisons with the New York Central on other points, and we submit a statement of their arrangements for carrying the mails. The New York Central, as at present constituted, consists of several different roads, which were amalgamated in 1853, most of which had special contracts before the amalgamation with the United States Government, under which the mails still continue to be carried. The rates vary very much. On the direct line between Buffalo and Albany, \$200 per mile per annum; Syracuse and Rochester (old road), \$100; Troy and Sheneccady, \$75; Niagara Falls and Rochester, \$150; Buffalo and Lewiston, \$50. The average rate of the whole amount received in the year ending September, 1860, was \$172.24 per mile. The contracts require the Company to run one train both ways on all week days, with the Post Office cars attached, stopping at all stations, and also to carry mail bags, if required, upon all express passenger trains.

The principal difference between the facilities afforded by the New York Central and the Grand Trunk are, that their contract obliges them to deliver the mails at the Post Offices at the terminal stations and at all way offices not more than a quarter of a mile from the railway, whilst in Canada the Post Office receives the Mails on the platform, and that on the former there are a greater number of trains carrying mails; but it must be observed that the Company is in no way bound to run more than the single mail train with Post Office car attached, but only to carry bags on such other trains as may suit their own convenience. Their Post Office cars also, are altogether devoted to the Post Office, whilst in ours only one-third is so partitioned off, the remainder being occupied by the express and baggage.

We have also obtained from Mr. Griffin, the Deputy Postmaster General, a comparative statement of several American roads, shewing the accommodation afforded, the number of trains run with mails, the amount of subsidy per mile of road and the whole amount divided as with us per mile run.

| ROAD. | Accomoda- tion. | No. of Trains. | Subsidy per mile of Road. | Subsidy per mile run. |
|---------------------------------|--------------------|--|---------------------------------|-----------------------------|
| New York and Albany | Whole Car.. | 3 daily and 1 extra per week | \$ 225 00 | \$ 25 00 |
| New York and Dunkirk (Erie) | Do. . . . | Do. | 200 00 | 22 33 |
| Albany and Buffalo | Do. . . . | 4 daily and 1 week- ly | 200 00 | 16 66 |
| Ogdensburg and Rouse's Pt .. . | ½ Car. | 2 daily | 81 51 | 40 75 |
| Rome and Cape Vincent. | Do. | Do. | 85 86 | 42 93 |
| New York and Philadelphia . . . | Whole Car.. | 3 daily and 1 week- ly | 375 00 | 41 66 |
| Detroit and Chicago | Do. . . . | 2 daily | 150 00 | 25 00 |

Mr. Griffin also informs us that the maximum rate in England is equal to \$265 per mile, but the service is very different; for the trains receiving this remuneration are devoted exclusively to the mails, carrying no passengers, and they run at an extra speed.

FUTURE PROSPECTS OF THE GRAND TRUNK RAILWAY.

We have already stated very fully our opinion as to the true policy, which should govern the traffic arrangements of the Company, and we believe that there is no reason why an *amount* of business should not be secured, which, at remunerative rates, would yield a fair Revenue as compared with other roads on this continent. But to put the road into a position to enable it to be worked successfully, it is certain that a considerable expenditure of Capital will be absolutely necessary. We feel how discouraging such an opinion must appear--that at the moment when the Company has been unable to meet the interest upon its existing capital, a call should be made for further expenditure; but it is our duty to state the

conviction to which we have deliberately arrived. At present the road yields nothing, or next to nothing, and if it is to be in a position to make any return upon the capital expended, it can only be by remedying the existing defects, which requires a further outlay.

(1.) The condition of the track is a serious consideration. The unnecessarily heavy curves and grades, on a part of the Central Division, are an evil which, at present at least, we cannot hope to see remedied. But the state of the rails themselves, on that and the Eastern Division, requires prompt attention. Mr. Trembicki, in his answer to Question 78, says that he anticipates no further expenditure on this account, than what will be chargeable to ordinary maintenance of way. If his meaning is, that the renewal of rails should be properly charged under this head, we agree with him; but if he intends it to be understood, that the renewals for the next few years will bear any comparison with the amounts hitherto charged to maintenance of way, his own evidence and that of other engineers leads us to a very different conclusion. In the present position of the Company it is immaterial under what head it is charged, but we feel bound to express our opinion that the safety of the public, and the interests of the Road itself, require that provision should be made for relaying the greatest part of the Central and Eastern Divisions as rapidly as circumstances will admit of it.

(2.) Additional siding is very much wanted for the convenient handling of the rolling stock. M. Shanly (Qu. 36) estimates it at \$50,000, a sum trifling in comparison with the difficulties and losses which have occurred from the want of it.

(3.) Storage room at many of the way stations is much required (Qu. 37). It is to be hoped that private enterprise will gradually remedy the inconvenience arising from the inconvenient distance of the stations from most of the towns on the route; but it is clear to us that the Company itself must assist in supplying the deficiency, and we should think Mr. Shanly's estimate of \$46,000 rather under than over the amount which could profitably be expended under this head.

(4.) The greatest defect of the line is the remote and inaccessible situation of the station at Montreal. This must be remedied at any cost, and the sum named by Mr. Shanly; (Ques. 37) \$200,000, is probably not in excess of the expenditure which would be necessary, if the Company itself has to undertake the work. There is some hope however that the public spirit of Montreal may relieve the Company from the necessity of providing so large an amount. We do not now speak of the scheme for a dock at Point St. Charles, which is briefly sketched by Mr. Young (Ques. 114). If it is ever carried out, and there appear to be no insurmountable difficulties, it will be a truly noble undertaking, and will not only give to Montreal commercial facilities which few cities possess, but will place the Grand Trunk in a position for communicating with the shipping, such as no other Railroad on this continent, or we believe in the world, has been able to establish. This great work however is at present only in prospect, and even if undertaken it would take some years to complete it; but the wants of the Grand Trunk are pressing and admit of no delay. We rather allude to a

plan which has found some favor, of a station at or near M'Gill street being built by a private Company, who might receive a handsome return upon the capital expended by a toll on passengers and local freight, very much less than that which the public has now to pay in cartage and omnibus fare. In any case we believe it to be essential for the accommodation of the passengers and local freight of the principal distributing point in Canada, that the road should be brought into the City.

(5.) We have already alluded to the absolute absence, except at Sarnia, of any facilities for the grain trade, such an important branch of Canadian and Western Commerce. Elevators and grain stores at Toronto, Montreal and Portland appear indispensable and the cost is estimated by Mr. Shanly at \$300,000. He expresses some doubt (Qu. 46) as to the policy of an elevator at Portland. If, as he suggests, a granary and elevator be erected by private enterprise, it may not be necessary for the Company to enter into the expense; but we believe such conveniences to be as essential there as even at Montreal. During the past winter a great quantity of grain has been shipped at Portland, but under great difficulties. From the evidence of Mr. Allan, (Qu. 161,) it appears that the wheat comes down to Montreal in bulk, and is there transferred to the bags of the Steamship Company. One would think that this was a very inconvenient arrangement even for the regular Steamships, but for vessels casually calling at Portland for cargoes it most operate almost as a prohibition.

(6.) These are the most important improvements mentioned by Mr. Shanly. A wharf at Quebec to cost \$100,000 and alterations at Portland to the extent of \$115,000 are also recommended; but we do not conceive them to be of such pressing importance. The \$123,000 already paid to the St. Lawrence Dock Company ought before this to have produced some result, and ought yet to be made to do so; and as long as the private wharves at Portland are as extensive as they are represented to be by Mr. Allan (166), we think that the Company might find more immediate demands upon its capital. We would also remark, that if it is desired that private enterprise should be encouraged at Portland, it is a doubtful policy for the Grand Trunk to make no charge for wharfage there. It is hardly to be supposed that private individuals will erect or improve wharves, or put them in communication with the Railroad, if they have to compete for business with a free wharf, which it is proposed still further to extend.

(7.) The whole of these improvements are estimated by Mr. Shanly at \$880,000, in addition to which he proposes an expenditure of \$1,417,900 for rolling stock. We do not dispute the necessity of an increase of rolling stock, but we must here repeat what we have before said, that the first want of the Road is so to improve its station accommodation, and arrangements for loading and unloading, as to enable it to use the plant which it has with fleet. Until these changes are made, any considerable increase of cars would do nearly as much harm as good. It must be remembered that there are already under contract 403 box cars (App. p. 132), the description which is most wanted, and which, if delivered, would make

an increase of 25 per cent upon their present stock. It is presumed that the financial difficulties of the Company have prevented the fulfilment of the contract.

We do not by any means feel certain that all the additions which have lately been made to the rolling stock are judicious. The order for 6 pony engines for station service, appears to have been given against the opinion of the Locomotive Superintendent, such engines being useless, except for station business, upon which partially worn out engines might have been used. We are very sure that if snow ploughs, of a better construction, had been used last winter, the track might have been kept open at a much less expense, and with much fewer delays.

But supposing all these improvements to be introduced--granting that the trade had every accommodation which it could reasonably expect; that the traffic arrangements were such as to insure punctuality; and that the freight were carried at remunerative rates--still there would be one measure more necessary, before the Grand Trunk could take its place as a solvent undertaking. It is absolutely essential that the nominal capital should be reduced. The liability of the Company for interests and rents, exclusive of share capital, at the date, June 30, 1860, is given in the Appendix, (p. 50,) and was within a trifle of \$3,000,000, and if additional capital were raised more fully to equip the road, the liability would exceed this sum; but the balance of revenue account, according even to the Company's own way of shewing it, was not more than \$1,472,000. We have thus an *annual* charge upon revenue of double the amount of the *aggregate net earnings during the eight years* the road has been open. It is impossible that any increase of traffic, or any improvement of management, can make head against such a load of debt. It is melancholy to think of the disappointed expectations, of the heavy losses of those who have made repeated advances to sustain the road, and of the individual distress which must be the result; but it is impossible to be blind to the fact, that nothing but the sacrifice of a large part of the capital invested can justify a hope of saving any of the remainder. In the present position of the Company, no external aid can avail any thing. Even if it were possible to obtain means to effect a temporary relief, it would only the more speedily, and the more certainly, bring on the final crisis.

The complicated position of the Company with various classes of creditors must render any such arrangements very difficult, and the ordinary Courts of Law may be insufficient to deal with a concern of such magnitude, and whose property is spread over six different jurisdictions. One interest concerned, the interest of the public, can hardly be left with safety in the hands of legal tribunals alone, and the interference of the Legislature may be necessary to facilitate the reconstruction of the Company. But the success of any attempt to give the Company a fresh start must depend mainly upon the cooperation of the various classes of creditors themselves. Hasty legislation is to be deprecated, but the necessity for haste is most pressing, and it would be very unsafe to leave the Company with its present organization and its present embarrassments to struggle through the difficulties of another winter.

The success of the road depends upon its obtaining a remunerative traffic, and upon its being able to raise no inconsiderable sum of money to enable it to carry that traffic satisfactorily. Both depend upon a restoration of confidence—confidence of the public, that they may entrust their persons and their property to the Company, with a reasonable expectation that their safety will be cared for, and damage or loss compensated; and confidence of capitalists, that any funds they may advance will not be swallowed up, where so large an amount has been already engulfed. The first and the greatest consideration therefore is, by the united action of the various creditors and the Legislature, to make such a compromise amongst all parties interested, as will make solvency possible.

All which is respectfully submitted.

JOHN LANGTON,
JUSTUS LEWIS GRANT.

Commissioners.

THOS. WILY,
Secretary.

Quebec, May 8, 1861.

EVIDENCE.



EVIDENCE.

1. Please furnish a copy of the Lease of the Chicago, Detroit and Grand Trunk Junction Railroad? (Vide Appendix II, page 9.)

2. Please furnish a copy of the Lease of the Atlantic and St. Lawrence Railroad? (Vide Appendix III, page 14.)

3. Please furnish a copy of the Contract with the Lake Ontario Steamers? (Vide Appendix IV, page 33.)

4. Please furnish a copy of the agreement with the Great Western Railroad? (Vide Appendix V, page 35.)

5. Please furnish a copy of the agreement with the Portland and Boston Steamers? (Vide Appendix VI, page 39.)

6. Please furnish any other agreements or contracts with any Railroad or line of Steamers?

(Copies of the following Contracts for Traffic were furnished which it is not thought necessary to publish.)

Androscoggin & Kennebec R. R. Co'y.

Michigan Central R. R. Co'y.

Michigan Southern R. R. Co'y.

Montreal Ocean Steamship Co'y.

7. What is the connection between the Grand Trunk Railway Company and the St. Lawrence Warehouse, Dock and Wharfage Company.

Answered by Mr. Trembicki for Mr. Blackwell :—The first transaction between the two Companies was in the early part of 1857, when the then General Manager, on instructions received from the London Board, reported on the scheme, and it was finally agreed that the Grand Trunk Company should become subscribers to the extent of £10,000.0.0 sterling.

Subsequently, (and after the above sum had been paid,) during the summer of 1859, further application was made by the Dock Company to the Grand Trunk Company, and on an entire reconsideration of the Company's terminus accommodation at Point Levi, it was agreed to recommend the following proposition to the London Board, viz: "that the Dock Company shall proceed with and finish the eastern pier or that part of their works nearest to the premises of the Grand Trunk Railway.

“ That the Grand Trunk Company shall have the exclusive use of said eastern pier for 3 or 4 years at a nominal rent.

“ That the Dock Company will take Bonds of the Grand Trunk Railway Company for £15,000 sterling, which Bonds however are not to be sold but placed at their disposal as a guarantee that the Grand Trunk Company will, at the end of the period agreed upon for Lease, take stock in the St. Lawrence Dock Company, to the extent of twelve thousand five hundred pounds sterling,—the works to be proceeded with without delay, &c.”

This was adopted by the London Directors of the Grand Trunk, and by Mr. William Chapman, representing the Dock Company, and an agreement or contract was drawn up and signed, specifying the time to be occupied in completing the above works, &c., &c.

The Contract was not fulfilled by the Dock Company at the time specified, and in the meantime the Grand Trunk Company becoming defaulters in payment of interest, the Dock Company did not complete the proposed works, matters now remain in *statu quo*.

8. Please furnish a complete Tariff of rates all over the line both for passengers and goods, distinguishing local and through rates, and changes of rate at different seasons,—(a complete series of the various Tariffs was furnished according to the following Schedule which it is not thought necessary to publish.)

| | |
|---|---|
| A | European Tariff of Passenger rates to places in A United States, B Canada, from Quebec, for Summer of 1860. |
| B | |
| C | European Tariff of Passenger rates to places in C United States, D Canada, from Quebec, for Winter of 1860-1. |
| D | |
| E | Passenger rates on through Fares coming East from 1st May to 1st Nov., 1860. |
| F | Passenger rates on through Fares coming East, from 1st Nov. to 1st May, 1860-1. |
| G | Passenger rates on through Fares Westward, from 1st May to 1st Nov., 1860. |
| H | Passenger rates on through Fares Westward, from 1st Nov. to 1st May, 1860-1. |
| I | Divisional through Passenger Fares, Winter 1860-1. Summer Fares in red ink. |
| K | Passenger Tariff for Western, and Detroit and Port Huron Districts, Winter and Summer 1860-1. |
| L | Passenger Tariff, Montreal and Toronto District. |

| | |
|---|---|
| M | Passenger Tariff, Montreal, Island Pond, and Quebec District. |
| N | Tariff to all Stations between Montreal and Portland. Published 1853. |
| O | " of Freight rates, Toronto and Montreal Division. Published 17th Nov. 1856. |
| P | " Toronto and London. September 27, 1858. |
| Q | " Grain and Flour from Stations in Western Canada for Winters of 1858, 1859, 1860,—also from 15th October to 31st Dec., 1860. |
| R | " Sarnia and St. Marys. Published 7th Nov., 1859. |
| S | " Detroit and Port Huron. Published 10th Nov., 1859. |
| T | " Boston, Portland, and Western States, also to Western Canada, West of Toronto, for Winter and Summer of 1860. |
| U | " Montreal to all Stations in Western Canada, for Summer and Winter 1860 and 1861. |
| V | " European and Western States, Grand Trunk Railway and Montreal Ocean Steamship Co. for Summer and Winter of 1860 and 1861. |
| W | " Boston and Portland for Summer and Winter of 1860 and 1861. Applies to Stations between Montreal and Toronto,—also to Quebec. |
| X | " Produce from Stations in Eastern Canada to Portland and Boston for Summer and Winter of 1860 and 1861. |
| Y | " New York, for Summer and Winter of 1860 and 1861. |

9. Please furnish a copy of Lease of Rivière-du-Loup Section?—(*Not necessary to publish as it has expired.*)

10. Please furnish a Tariff of rates on Rivière-du-Loup section?—(*Not necessary to print.*)

11. Please furnish a statement of passengers and goods Traffic on that section? (Vide Appendix VIII, page 44.)

12. Please furnish a statement shewing receipts for each District distinguishing through goods and local goods, and through and local passengers, upwards and downwards. This statement may be from January 1, 1859, to June 30, 1860, and a similar statement for the last half year of 1860, to be given as soon as may be after the new year. (Vide Appendix VII, page 42.)

13. Please state the amount of through goods, via Portland to and from New York and Boston? (Vide Appendix XVI, page 120.)

14. Please furnish a statement of the number of free passes issued, distinguishing season and occasional passes, and a statement of free passenger traffic. Is such free passenger traffic included in the general returns?

Answered by W. Shanly.

The free passes issued by this Company are of three kinds :

1st. *Season Passes* for Officers of connecting roads, and official persons in the Province and United States, Customs and Post-Office Departments, &c., &c. (Vide Statement A.)

2nd. *Trip Passes* granted on application of other Companies, or to Editors of Local Papers, or for "Complimentary" reasons, monthly returns of such are rendered by the Audit Department to the General Traffic Manager, giving names of parties to whom issued, by whom issued.

Five Statements (B) herewith, being the returns for two months of 1859 and three of 1860, are submitted as specimens of the mode in which these returns are made out ; the returns for the whole of the past year can be furnished to the Commissioners, if required ; but it will involve considerable labour to do so ; most of the originals having been sent to England with Mr. Blackwell, lately, with the same object as the five herewith are sent to the Commissioners,—as specimens for the Board in London, of the mode of Making the returns of complimentary and other passes.

3rd. *Employés Passes* given to the Company's servants travelling on the Line on Company's business, the returns of these passes are given under their proper heading in Statements B.

Every Conductor is furnished with blank forms which he has to fill up with the names of persons travelling on his train with Free Passes, and return daily to the General Traffic Manager's Office, specimens herewith marked C, (*not thought necessary to publish these.*)

No account of the money amount of free travelling is kept.

STATEMENT A.

| | |
|--|-----|
| Customs Department..... | 6 |
| Customs, United States..... | 7 |
| Post Office Department, Inspectors, Conductors travelling with mails..... | 24 |
| Do. | 9 |
| Finance Department..... | 4 |
| Railway Inspectors..... | 3 |
| Emigration Department..... | 3 |
| Railway Companies in exchange..... | 194 |
| Board of Directors..... | |

COMPLIMENTARY PASSES.

| | |
|---|---|
| Mr. Risley, Inspector of Steamboats..... | } |
| " Beswick, Agent Point Levy Dock Company..... | |
| " A. M. Ross, Engineer, Victoria Bridge..... | |

| | | |
|---|---|----|
| Mr. J. Hodges, Agent, Contractors, Victoria Bridge..... | } | 23 |
| “ Aikman, Accountant, Do. Do. | | |
| Reverend Mr. Helmuth, Secretary Church Society..... | | |
| Honorable R. McClelland, D. and Pt. Huron Railway.... | | |
| Mr. Coursol, Chief of Police, Montreal..... | | |
| “ F. Sabil, Passenger Agent..... | | |
| “ H. Allen, M. O. S. S. Co..... | | |
| “ J. Reekie, Contractor, Maintenance..... | | |
| “ W. Kingsford, Do. Do. | | |
| “ C. Freer, E. Div. Lessee St. Thomas Line..... | | |
| “ H. Abbott, Do. Do. Do. Do. | | |
| “ J. W. Howes, B. & A. Express Co..... | | |
| “ G. Cheney, Do. Do. | | |
| “ C. S. Gzowski, Contractor, T. & S. Div..... | | |
| “ W. Proudfoot, President Bank of U. C..... | | |
| “ LeMesurier, Quebec, late Director..... | | |
| “ H. C. Chapman, Liverpool..... | | |
| “ T. Chapman, St. L. D. & St. Co..... | | |
| Reverend Dr. Adamson, Chaplain, Legislative Council... | | |
| Honorable Mr. Cartier, Solicitor, G. T. R. Co..... | | |

STATEMENT B.

COMPLIMENTARY PASSES.

| | | |
|--|----|----|
| October, 1859 —By T. E. Blackwell, by A. Clarke..... | 12 | |
| “ H. Bailey..... | 1 | |
| “ J. M. Grant..... | 4 | |
| “ M. Pennington..... | 3 | |
| “ C. R. Christie..... | 3 | |
| “ D. Stark..... | 1 | |
| | — | 24 |
| To Officials of other Roads, Boats, &c.... | | 26 |
| | | — |
| | | 50 |
| December, 1859.—By A. Clarke, (T. E. B.)..... | 1 | |
| “ W. Shanly..... | 3 | |
| “ M. Pennington..... | 2 | |
| “ S. T. Corser..... | 1 | |
| • “ C. R. Christie..... | 2 | |
| | — | 9 |
| To Officials of other Roads, Boats, &c.... | | 26 |
| | | — |
| | | 35 |
| March, 1860.—By J. Ross..... | 1 | |
| “ W. Shanly..... | 6 | |
| “ A. Clarke..... | 2 | |
| “ M. Pennington..... | 1 | |
| “ S. T. Corser..... | 4 | |

| | | |
|--|----|----|
| March, 1860.—By J. Brooks..... | 4 | |
| " F. J. Stevenson..... | 2 | |
| | — | 20 |
| To Officials of other Roads, Boats, &c.... | | 23 |
| | | — |
| | | 43 |
| May, 1860.—By A. Clarke, (T. E. B.)..... | 6 | |
| " W. Shanly..... | 2 | |
| " H. Bailey..... | 1 | |
| " J. M. Grant..... | 1 | |
| " J. Brooks..... | 1 | |
| " D. Stark..... | 2 | |
| " S. T. Corser..... | 4 | |
| | — | 17 |
| To Officials of other Roads, Boats, &c.... | | 9 |
| | | — |
| | | 26 |
| June, 1860.—By J. Ross..... | 1 | |
| " A. Clarke, (T. E. B.)..... | 5 | |
| " W. Shanly..... | 11 | |
| " H. Bailey..... | 1 | |
| " M. Pennington..... | 5 | |
| " S. T. Corser..... | 3 | |
| " J. Brooks..... | 1 | |
| | — | 27 |
| To Officials of other Roads, Boats, &c.... | | 37 |
| | | — |
| | | 64 |

15. Please state what is the present agreement with government as to carrying mails.

Extract from minutes of meeting of Directors of Grand Trunk Railway Company of Canada held at Quebec on 17th August, 1853.

The subject of remuneration to be paid by the Post Office for conveyance of Mails on the Grand Trunk Railway was brought forward where it was.

Resolved. " That the Postmaster General be informed that the Company is willing to convey Mails by all the ordinary trains running on the Railway at the rate of £27 10s. per mile per annum, including in this charge the conveyance of a Conductor sent in charge of the Mails."

16. Please furnish Contracts with Express Companies,—(not thought necessary to publish.)

17. What are the payments of interest, rents, &c., for which the Company is liable, and in what order are they payable? (Vide Appendix IX, page 46.)

18. Please furnish a statement of Locomotives to date similar Appendix C in Mr. Blackwell's report. (Vide Appendix XVII, page 133.)

19. Please furnish a statement of Cars to date similar to Appendix F. (Vide Appendix XVIII, page 131.)

20. Please furnish a statement of Locomotives and Cars contracted for or building, not included in above statements. (Vide Appendix XIX, page 132.)

21. Please furnish Statements similar to Appendix No. 1, of Audit Department to date. (Vide Appendix XXIV, page 149.)

22. Please furnish Statements similar to Appendix No. 4, (Vide Appendix XXV, page 153.)

23. Please furnish Statements similar to Appendix No. 7, to December, 31st. (Vide Appendix XXVI, page 154.)

24. Please furnish Statements of total receipts and expenditure, similar to those furnished to Government, made up to December 31st, as soon after new year as practicable. (Vide Appendix XXVIII, page 170.)

25. Statement of Revenue Account to December 31st as soon as practicable. (Vide Appendix XXVII, page 164.)

26. Please prepare a statement in the form of the Capital Account as published in the semi-annual reports, with the details of the several items A. B. C. &c., shewing the entire expenditure since the commencement of the undertaking to 30th June, 1860, arranged in four columns, viz :

I. Entire expenditure as paid to the Contractors for the several sections of the road up to the final settlement with them, whether under the original Contract, or for extra work performed by them not embraced in the Contract, or for any additional allowance to them beyond the contract price.

II. Expenditure by the Company upon the several works after they were taken off the hands of the Contractors.

III. Expenditure of a general character not embraced in either of the former columns. (Vide Appendix X, page 51.)

IV. Total Expenditure.

27. Please give a general description of the work upon which the expenditure in column II took place, distinguishing what was for new works not embraced in the original contract, and what for completing and perfecting the works as delivered by the Contractors, giving under each head the principal items with their approximate cost. Give also the expenditure in column III from half year to half year? (Vide Appendix X. A, B, C, D, page 51.)

No. 28. Give a list of the Contracts for the several sections of the Road, included in the above Statement (No 27); the amount of the original contract; and the amount paid in each case.

Answered by Mr. Elliott.

| Section. | Contractors. | Amount of Original Contract. | Amount paid to Contractors. |
|-----------------------------|------------------|---|-----------------------------|
| Eastern Division. | Peto & Co. | £1,224,000 Stg. for Quebec to Trois Pistoles. | \$ 8,668,062 94 |
| | | do. £624,000 Stg. | " |
| | J. Reekie. | .. | \$ 74,162 .. |
| | Victoria Bridge. | Peto & Co. | £1,250,000 Stg. | $ 6,346,133 33 |
| Central Division. | Peto & Co. | £3,000,000 Stg. | \$ 16,932,377 17 |
| | Gzowski & Co. | .. | 6,385 59 |
| | | do. | .. | 36,336 67 |
| Morton & Dickson. | .. | 142,131 27 | |
| Western Division. | Gzowski & Co. | £1,376,000 Stg. | \$ 8,644,349 44 |
| | | do. | 6,385 59 |
| | do. | .. | 36,336 67 |
| | do. | .. | 121,666 67 |
| Additions to Portland Line. | Peto & Co. | .. | 5,095 92 |
| | | | \$41,019,423 26 |

NOTE. \$58,000. Amount paid the contractor for Duck Harbour Deviation not included in the above.

The entire accounts for each contract not having been kept separate--the separation into the Districts (being the nearest approach to a separation into contracts) has been given.

29. Give a list of all contracts existing 31st December, 1860, for works which will be charged to Capital, distinguishing whether for road, wharves, stores, steamers and barges, rolling stock, &c., and distinguishing the different kinds of rolling stock--state whether such contracts are being acted on, or are suspended, and the amount or approximate amount which has been paid, or for which the Company will be liable upon the completion of the contract after 30th June, 1860?

Answered by Mr. Elliott :--The only contract for works existing on the 31st December, 1860, which is chargeable to capital, is that with Mr. Turotote, for the construction of the Three-Rivers and Arthabaska Line. The total amount of this contract is \$1,036,600 00. \$145,833 33 have been paid on account up to the 30th June, 1860, leaving a balance of \$899,766 67.

For remaining portion, vide answer to No. 20.

30. What is the length of the railway system under the control of the Company, divided into the following sections?

Answered by Mr. Trembicki :

| | |
|--|------------------|
| Detroit and Port Huron..... | 59 |
| Ferry between Port Huron and Sarnia..... | $\frac{1}{4}$ |
| Sarnia and London Branch Junction..... | $69\frac{3}{4}$ |
| London Branch Junction and Toronto..... | 99 |
| Toronto and Kingston..... | $160\frac{1}{2}$ |
| Kingston and Montreal..... | $172\frac{1}{2}$ |
| Montreal and Richmond Junction..... | $72\frac{1}{2}$ |
| Richmond and Island Pond..... | $71\frac{1}{2}$ |
| Island Pond, and Portland..... | $149\frac{1}{4}$ |
| Richmond and Three-Rivers Branch Junction..... | 32 |
| Three-Rivers Branch Junction and Chaudière Junction..... | 56 |
| Chaudière Junction and Point Levi..... | $7\frac{1}{2}$ |
| Chaudière Junction and Rivière-du-Loup..... | $118\frac{1}{2}$ |
| London Branch..... | $21\frac{3}{4}$ |
| Kingston Branch..... | 2 |
| Three-Rivers Branch..... | 35 |
| Longueuil Branch..... | 4 |

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31. At what dates were the several sections of the line opened for traffic?

Answered by Mr. Shanly :

| Miles. | Section. | Opened for Traffic. |
|--------|---|---------------------|
| 292 | Longueuil to Portland * | July , 1853. |
| 96 | Quebec to Richmond..... | November 27, 1854. |
| 125 | Montreal to Brockville..... | November 19, 1855. |
| 40 | Chaudière Junction to St. Thomas..... | December 3, 1855. |
| 208 | Brockville to Toronto **..... | October 27, 1856. |
| 88 | Toronto to Stratford †..... | November 17, 1856. |
| 11 | Stratford to St. Marys..... | September 27, 1858. |
| 21 | St. Marys to London..... | September 27, 1858. |
| 70 | St. Marys to Sarnia..... | November 21, 1859. |
| 59 | Port Huron to Detroit Junction..... | November 21, 1859. |
| 6 | Victoria Bridge and Charons Branch..... | December 19, 1859. |
| 53 | St. Thomas to St. Pascal..... | December 26, 1859. |
| 25 | St. Pascal to Rivière-du-Loup..... | July 2, 1860. |
| 2 | Kingston Branch..... | November , 1860 |
| 1096 | | |

* This portion of the Line had been opened in short lengths as completed by the St. Lawrence and Atlantic, and Atlantic and St. Lawrence Companies, but was first opened through and worked by the Grand Trunk Railway Company in July, 1853.

** Partially opened for Traffic between Toronto and Oshawa by the Contractors before the whole was completed, and transferred to the Company.

† Do. do. do.

32. Please prepare a statement in the form of the Revenue Account as published in the semi-annual reports, with details of the several items G. H. I., &c., shewing the total receipts and expenditure to 30th June, 1860? (Vide Appendix XI. page 59.)

Questions to Mr. Shanly, General Manager.

33. Add to the statement of the present rolling stock, already given, a statement of the rolling stock belonging to the Company adapted for the Detroit Line?

The Company owns, on the Detroit and Port Huron Section, 5 engines, 6 first class passenger cars, 2 baggage and post office cars, and 50 "box" freight cars. The total value of this stock is \$87,950. Other rolling stock is frequently hired from other lines to enable us to work the traffic with regularity. The car builders, who furnished 40 of the box cars, hold a lien on them until they are paid for.

34. Add to the statement of present rolling stock, a statement shewing the condition of each kind of stock under the following heads: (1) In good running order; (2) Running, but requiring repairs; (3) Under ordinary repairs; (4) Undergoing thorough repair. Give an estimate of putting the whole in good running order?

This question can only be answered approximately, as the condition of the rolling stock is continually undergoing changes, especially in winter, and may be said to be never two days alike. The following was the condition of the engines during the week ending 29th December last: in good running order, (including 5 on Detroit Section) 160; running, though needing repairs, 8; undergoing ordinary and thorough repairs, 49. The cars waiting for and under repairs at same date were, passenger 1st class, 12; passenger 2nd class, 13; baggage and post office, 9; box cars, 108; platform, 109; brake van, 7, ballast, 38; snow ploughs, 2.

35. Is the present amount of rolling stock sufficient for the traffic of the road? and if not, what additions to the several kinds of rolling stock would be sufficient, in your opinion, fully to equip the road, and give an estimate of cost?

In my published Report of 23rd November last, (a manuscript copy of which was supplied to the Commissioners.) (Vide Appendix XIV. page 79.) I stated that to fully equip the line with rolling stock, there are required, in addition to what we now have, 61 engines and 846 cars, the cost of which I estimate at \$1,295,900, and of house room, &c., for ditto, \$122,000, in all, \$1,417,900.

36. Is the present proportion of siding to main line sufficient to enable the present rolling stock to be worked to advantage? and if not, what additions would you recommend, and give an estimate of the cost?

In the Report above referred to, I stated that about 5 miles additional "sidings" are required in all. Had we that extent of double line more

than we now have, our rolling stock, as it is, could be worked to very much greater advantage than at present, while the proportion of expenses to earnings might be considerably lessened. Estimated cost of 5 miles of new siding, \$50,000.

37. If the rolling stock were increased in the proportion you recommend, what additional amount of siding would be required to work it to advantage, and give an estimate of the farther additional cost?

I do not consider that the full complement of rolling stock, above estimated as required, would necessarily call for more siding room than is estimated in reply to Question 36; not at least until the increase of trade and population may render the traffic of the line of less fluctuating character than it now is, and must for a long time continue to be, and which renders it necessary to be provided with the maximum of rolling stock to meet the exigencies of perhaps five months in the year, during which the larger portion of the revenue has to be earned.

38. Is the present station accommodation sufficient for the business which may be done with the present rolling stock, and if not, what additional accommodation would you recommend, with an estimate of the cost?

The present way-station accommodation is not sufficient for the business which may be done with the present rolling stock, but the larger portion of the cost of increasing it to fitting proportions, is embraced in the estimated cost of sidings, opposite Question 36, the required additions to station accommodation being mainly in "siding" room. At all the stations on the Central District, which are in close proximity to Lake Ports, such as Whitby, Oshawa, Port Hope and Cobourg, it is desirable to have sheds for storing flour and grain, large quantities of these articles being now taken across the railway during winter and stored at the wharves to await shipment by lake, because of the want of storage room at the stations. At certain other points also, Toronto, Montreal, &c., merchandize sheds, in addition to those already existing, are required, and in all about 20 sheds are wanting, the cost of which I estimate at \$46,000. The passenger accommodation might be improved at many points, at inconsiderable outlay; but only at Toronto, Montreal and Richmond, is there any real necessity for large additions to passenger accommodation. At Toronto the present station is but a temporary one, and to put up a permanent one would involve an outlay of about \$30,000. At Montreal many plans for a City Station have been projected, but none matured, and probably none that would fully accommodate the city business could be carried out much short of \$200,000. A new passenger building, with commodious platforms, is much needed at Richmond, and would cost some \$6,000.

39. If the rolling stock were increased in the proportion you recommend, would any additional station accommodation be required, and if so, at what additional cost?

In reply to Question 39, I would say, as in reference to No. 37, that farther station accommodation would be required, from time to time, to keep pace with the growth of trade and population, and a complete equipment of rolling stock would, if fully employed, necessitate certain additions to terminal accommodation, but that no correct estimate of what such additions should be, can now be arrived at.

40. Are the present stores, elevators, wharves, &c., sufficient properly to conduct the business which may be done with the present rolling stock, and if not, what additions (specifying the nature of the additions and the localities) would you recommend, with an estimate of the cost ?

The road is at present furnished with but one elevator and grain store, (at Sarnia), and the want of similar conveniences for the grain trade is much felt at Toronto, Montreal and Portland, especially at the two latter places. An elevator and granary at Kingston would also be beneficial to the traffic of the road. To erect such buildings and machinery, at each of those places, with capacity for storing and handling 200,000 bushels at each place, would probably cost about \$300,000. As to wharves, an addition to the Steamship Wharf at Point Levi, to make accommodation for two Ocean Steamers, where only one can now lie, was formerly entered upon, but the work has been suspended. It would be a great convenience and benefit to the line, during the season of navigation of the St. Lawrence ; the outlay necessary to complete it about \$100,000. At Portland another wharf similar to that now occupied by the Montreal Ocean Steamships during winter, is very much wanted. The cost of construction would be about \$100,000 ; and it would also be judicious to make certain alterations in the two wharves constructed for the " Great Eastern," so as to adapt them to ordinary vessels ; the cost of such alterations, \$15,000. At Portland there is no very convenient place on the Company's premises for a large granary and elevator, and I would not wish to see any such structure put up there by the Company ; if private enterprise, (of which there is now a prospect) will embark in the undertaking on more convenient neighbouring premises.

41. If the rolling stock were increased, as recommended, would any farther additions to stores, elevators, wharves, &c., be required, if so, state the additions, and an estimate of the cost ?

With full and constant occupation for the maximum amount of rolling stock, many more stores, elevators and wharves, than those referred to in reply to Question 40, could be employed to advantage, but I do not think that the Company should undertake any further additions. If private enterprise will not turn the railway to account by building stores, elevators, and wharves, in connection with it at such points as Toronto, Montreal and Portland, it will be in vain to expect that it would pay the Company to do so. It would not be judicious, in my judgment, for the Company to construct more works of the above character, than will fully occupy its premises at the several points named--and those I have estimated for above would do that fully.

42. Are the present steamboats and barges sufficient for the business of the line, and if not, what additions would be required, either at once or if the rolling stock were increased, with an estimate of the cost ?

The only points in the Grand Trunk Railway system where steamboats and barges are now in use, are the ferries between Sarnia and Port Huron, and between Point Levi and Quebec. The fleet at the former point consists of two steamers—one large freight boat capable of crossing over 18 cars at a time, and four barges. With the increased amount of rolling stock, estimated as

necessary to a complete equipment of the line, probably four more barges would be required, and I would also recommend that the large freight boat referred to, and which has now to be towed from one side of the river to the other, should be furnished with an engine and screw. Outlay necessary to the above additions and improvements probably \$30,000. The Quebec ferry is worked by contract, the contractor finding the steamer and paying all running expenses, for which he receives two pence currency on each passenger producing a Grand Trunk Railway ticket, and for each ton of goods, two shillings and six pence currency. The accommodation heretofore rendered is sufficient.

43. When a special train is ordered for any officer of the Company, or for the service of the Company, how is it charged ?

There is no special mode of charging trains of this description. The engine and car mileage is entered in the regular way, the fact of their being specially run being of course recorded also. I expect to be able to furnish full particulars of special mileage in reply to Question 44, which will be explanatory also of 43.

44. Can you give a statement of the special trains run during the year 1860, for what purposes, and by whose order ?

The total mileage of Special Trains during the year 1860 was as follows:—Passenger Trains 24,914. Freight and mixed Trains 99,571. A complete analysis of all these Trains could only be obtained now by a great deal of labor.

Of the Passenger Trains, by far the largest portion is due to Foreign Mail and Passenger Service in connection with the Ocean Steamers. Some 1600 miles were run in connection with the visit of H. R. H. the Prince of Wales ; and a great number of miles of "Excursion Trains" were also run at various times,—as during the Provincial Exhibitions, on Queen's Birth-day, &c., &c., and on 4th July over U. S. portions of the line. For Officials of the Company about 1100 miles of Special Service were performed,—on the order of the President or Vice-President,—principally the latter, who is more actively engaged in the management of the Company's business than the former is. A large proportion of the freighting business of the Line, especially in winter, when we have most Freight to carry, has to be done by Special Trains. Wood Trains and all other irregular Trains not advertised in Time Tables are also returned as "Special Freight Trains."—In short, the above figures represent the entire difference between actual and advertised mileage.

45. Are any special trains despatched with the mails, and if so, are they charged extra to the Post Office Department ?

Whenever the steamers of the Montreal Ocean Steamship Line arrive at Portland or Quebec at hours that will not allow of the mails being promptly despatched by regular trains, special trains are sent out. Since the commencement of the present winter, for instance, out of 11 arrivals of those vessels at Portland, 8 were at inconvenient hours, and special trains were run from Portland to Island Pond, connecting at the latter point with

a regular train for Montreal and Quebec. The outgoing mails too are always sent from Montreal by special train on Friday nights. Other special service is also done, as occasion may require, for the Post Office Department, and for all service not done by regular trains, we make an extra charge.

46. What has been the cost of the Observatory at the Company's Office to June 30th 1860, including cost of Instruments, Wages, &c., and to what account is it charged?

Answered by Mr. Trembicki.

The Observatory, the object of which is to obtain transit observations of the sun and insure accurate time, is built over a projection of the building which is devoted to the safes. This was unroofed and raised by means of a wooden frame covered with sheet iron. Its dimensions are 9 feet by 14 feet, and 10 feet high, and the total cost has been £116 currency, which has been charged to the general expense account. The instruments it contains are the private property of Mr. Blackwell, and consist of an altitude and azimuth instrument value about £75 0 0. An astronomical clock value about £32 0 0, and a 20 inch transit instrument value about £30 0 0, besides a quantity of Barometers and Thermometers.

The observatory is worked by Mr. King, who is under contract to give the correct time daily to the Telegraph Office, his remuneration for his service being £50 currency per annum. This is charged to the Traffic Department.

47. Give a statement of the amount which has been paid to the Traffic Department, from the commencement of the undertaking to June 30th, 1860, and included in revenue on account of freight of Company's own property under the following heads :

| | |
|--------------------------------|---|
| Stores, | |
| Fuel, | |
| Charged to Capital Ballasting. | |
| “ | works and permanent way, other than ballasting. |
| “ | Rolling Stock. |
| “ | other charges not included above. |
| “ | Revenue ballasting. |
| “ | maintenance of way other than ballasting. |
| “ | repairs of rolling Stock. |
| “ | other charges not included above. |

Give also a statement of the amount paid to Traffic Department for freight charged to Contractors on the road.

Answered by Mr. Elliott.

Memorandum of charges by Freight Department against other Departments of the Grand Trunk Railway Company, included from time

to time in the ordinary monthly Schedules of the Departments, and paid by cheques.

"This amount is exclusive of that charged by Freight Suspense Account."

| | |
|---|--------------|
| On Stores from 1st January 1859 to 1st January 1860. | \$23,150 72 |
| “ Fuel do do do | 29,317 08 |
| On Stores from 1st January 1860 to 30th June 1860.. | 46,406 00 |
| “ Fuel do do do | 26,851 58 |
| Amount of Freight for Engineer Department from 1st January 1859 to 30th June 1860..... | 31,360 64 |
| | <hr/> |
| | \$157,116 02 |

Addendum.

| | |
|--|--------------|
| Amount charged on Freight Suspense account (to 30th June 1860,) already returned to the Com- missioners | 303,400 20 |
| Amount charged by Engineer Department <i>since</i> the June accounts were made up, (as for Freight prior to 30th June 1860.) | |
| First Schedule..... | \$13,058 47 |
| Supplementary Do..... | 25,798 20 |
| | <hr/> |
| | \$38,856 67 |
| | <hr/> |
| | \$460,516 22 |

48. Referring to the report of the London Directors of October 1860, it is stated that there is land valued at £120,000 Stg., of which a portion, to the value of £5000, has been sold since March preceding.—Give a Statement of the real property held by the Company other than the land actually occupied for Road-way Stations, Gravel pits, &c., where it is situated, at what it is valued, and what account is charged with it or credited for the amount sold?

Answered by Mr. Elliott.

The Vice President can alone give full and accurate information with respect to the questions under this Number.

The answers will therefore be reserved till his health is sufficiently re-established to enable him to give them in detail.

49. Please furnish a statement of the liabilities of the Company down to December 31st, as soon as the books are balanced, and at the same time bring down the statement, approximately at least, to the latest possible date. (Vide Appendix XXIII, page 145.)

50. Give a detailed statement of the organization of the executive staff of the Company in all its Departments, the responsibilities, duties, and rank of each head and of each class of employes, under whose immediate orders and to whom responsible?

Answered by Mr. Elliott.

Vice President : Acts as Managing Director of the Company, and takes control of the Engineering Department and exercises all the Authority of the Board during the intervals between the Board Meetings.

Secretary and Treasurer : As Secretary he conducts the general correspondence of the Company and is responsible for carrying out the orders of the Board and Executive Committee: all Minutes of the Board and Committee Meetings recorded by him and in his custody. Assists the Managing Director when required in the General Management of the affairs of the Company between the intervals of Board Meetings, so as to be fully conversant with every act affecting the Company.

The share and transfer Departments are under his control, and he exercises a surveillance over the Head Offices for which nothing is to be obtained without his order; and the stationery Clerk is under his authority. He submits to the Executive Committee schedules of accounts and pay rolls as certified by the audit Clerk, also all reports from the Traffic, Locomotive, Engineering or stores Departments, and he signs all orders for stores. He is the medium of communication between all the Departments of the Executive in Canada and the Secretary in England, and transmits all returns required by the London Board, gives prompt attention to their instructions, and carries on the other duties usually performed by Railway Secretaries in England.

As Treasurer he takes the Control and Supervision of the Accountants Department, and of all branches of the Company's business involving cash transactions. He signs all promissory notes of the Company conjointly with the Managing Director, or with one Director at least, or with such Agent or Agents as the Board may from time to time appoint or authorize for that purpose; and is responsible for the correctness and accuracy of the general accounts of the Company.

General Traffic Manager : Details of management in every thing appertaining to Traffic entirely under his Control; all the Officers in that department, viz: Superintendents, Freight Agents, Station Agents and Employés directly responsible to him. The General Traffic Manager responsible to the Board; for whose information he reports to the Secretary.

Assistant Traffic Manager : Acts for General Traffic Manager in his absence, in all other cases acts as his deputy.

Locomotive Superintendent : Has entire Control of the Locomotive and Car Departments and is responsible to the Board.

The Store Accountant : Has charge of the General Stores of the Company and the supervision and direction of the subsidiary Stores. He keeps accurate account of all receipts and issues, so as to shew stock on hand; and he takes stock every half year, he is responsible to the Managing Director; and has to deliver to the Secretary, for the approval of the Executive Committee, all requisitions for Stores, as well as weekly reports.

He also makes up the Accounts of the Locomotive and fuel Departments, and is daily in communication with the Managing Director and the Secretary and Treasurer.

Assistant Engineer : Receives and attends to all correspondence of the Company, reporting thereon to the Managing Director, and receiving his instructions; examines and certifies all Accounts of the Department; takes charge of all records, plans and documents relating to the Department and in the absence of the Managing Director acts for him and in his name as regards the Engineering Department.

Divisional Engineers : Superintend the maintenance of way, examine Bridges and other Works, reporting Monthly; prepare Statements of Extra Works executed, in progress, and required; and they report on any Work of importance immediately to the Head Office.

Auditor of Traffic Accounts : The duties of Auditor of Traffic Accounts and General Agent embrace the following :

A general supervision over the Passenger, Freight and Express Accounts of 117 Stations, and 7 outside agents, and the management of *Traffic Audit* of receipts, the printing and supply of tickets to all Stations and Agencies, for Local and Through Passenger business.

To see that Cash Receipts at stations, &c., are regularly transmitted to the Company's Cashiers, and by them deposited in the bank, and that the Traffic Outstanding Debts do not accumulate.

To settle Traffic Interchange Accounts monthly, with about 70 railway and steamboat lines.

To arrange Passenger Fares to meet local competition during season of navigation, and same for United States and Europe.

To advertise the line for Passenger travel from and to the United States, through Handbills, Posters, and Newspapers, and see that each Outside Agent does likewise for his district.

Watch competition for Passenger business, and operate the latter under directions of General Manager.

General correspondence with 154 Agents and others, on matters connected with Passenger business, Fares, and Traffic Accounts, &c., &c.

51. What is the amount of rent annually payable to the Atlantic and St. Lawrence Railroad, what is the capital of the Portland debt and the annual amount payable to the sinking fund?—(Answered in No. 17.)

Questions to Mr. Thorburn, Store Keeper.

52. Does the account "Fuel" include all coal, fire wood, &c. If any fuel is included in other accounts, please state how?

The account "Fuel" embraces "Firewood" only, "Coal" is not comprised. "Fuel" is never mixed up with other accounts.

53. Is all fuel purchased by contract or otherwise, and state how the contracts are given out?

All "Fuel" is purchased by contract, advertisements by "Placards" and insertion in the public Journals are issued requesting "Tenders" for certain quantities at certain localities, and "Contracts" are given to the lowest responsible "Tenderer."

54. What are the different expenses charged to fuel, as carriage, loading and unloading, sawing &c., and what are the usual rates of charge for each kind of service ?

The expenses against "Fuel" are "Wages" as "Clerks," "Wood Agents" and "Wood Men" "Salaries," "Sundry charges," as "charge" by "Traffic" Department for use of Train, &c., and "charge" by Contractors for loading, unloading and sawing. "Traffic charge" is at the rate of eighty (80) cents per cord hauled. Contractor's charge for loading and unloading is 32 cents, and for "Sawing" in any way required, 41 cents per cord, which include the cleaning of all Wood Sheds.

55. What is the method of charging the fuel which is given out to the several departments and at what rate is it charged ?

The method of charging "Fuel" to the several departments is by orders, given by certain parties duly authorized. The "rates" fluctuate, being influenced by certain circumstances, for example, the "loss" by "Accidental Fire" and other causes, and by the first cost of the article which is not alike every season. A fixed rate is always adhered to during each six months. The present rate is \$3,58,4 per cord of 128 cubic feet.

56. Was Stock taken of Fuel on 31st December last, was there any deficiency in quantity and how was it accounted for ?

"Stock" was taken on the 31st December last, (it is taken throughout the whole line every six months) there was a loss, at that period, of 8,783 cords, of which 2110 cords was from "Accidental Fire," and the balance, 6673 cords, from the necessary shrinkage and loss in handling, sawing, &c., being equal to about 12½ per cent upon the total consumption.

57. What was the money value of the fuel on hand as ascertained when stock was taken 31st December, 1859, and 31st December, 1860 ?

The money value of "Stock on hand" upon the 31st December, 1860, was \$190,855,00, and upon the 31st December, 1859, \$286,320,00. (Stock being much smaller at the former period mentioned.)

58. At what points on the line have the Company Stores and who has the superintendence of them ?

The several points on the line at which the "Stores" of the Company are kept and the persons in charge of them are as follows :

| | | |
|--------------------|----------------|---------------|
| Point St. Charles, | General Depot, | G. Thorburn. |
| Portland, | Subsidiary do. | D. F. Corser. |
| Toronto, | do. do. | J. Irvine. |
| Detroit, | do. do. | T. Trinder. |

The three latter are under the control of, and are merely auxiliaries to the first.

59. What is the method of purchasing Stores, whether by contract or otherwise? State the principal articles which are purchased by contract and those which are purchased otherwise?

The method of purchasing "Stores" has been by "contract" as far as practicable, some however, where there is only one source of supply, are not so purchased. The articles which have generally been obtained by contract are as follows: "Iron," (Wrought and Cast) "Brasses," "Steel," (Cast and Spring) "Oil," "Cotton," "Waste," "Coal," (Steam and Smiths) "Lumber," of all kinds, "Copper," (Ingot and Sheet) "Zinc," "Tin," "Rope," "Wrenchers," "Lamps," "Wicking," "Shovels" (Steel and Wooden) "Tin ware" of all kinds, "Rubber," (Hose and packing) &c., &c. Those which have not been purchased by contract are such as, "Telegraph plant" of all kinds, "Engines tyres," "Low Moor Iron," "Brass and Copper Tubes," "Pass. Car fittings," "Roofing Duck," "Car Ventilators," and several other articles, which can be had only from a single source. At present there are no contracts existing for the supply of "Stores." Since my appointment over the "Department" (1st December, 1860.) I have purchased (more especially in Montreal, which is the main source of supply) through a "Broker" of good standing, and who possesses general confidence. I have done this, because of the "shyness" of Tradesmen generally (in view of the present financial position of the company,) to tender for the supply of stores to any great extent; recourse will be had to the former method, so soon as circumstances will admit, and parties regain confidence in the ability of the Company punctually to meet their engagements.

60. On whose order and by whom are purchases made?

"Requisition" for "Stores" are submitted fortnightly to "Executive Committee," and, when approved of, are ordered by authority of, and signed by the "Secretary and Treasurer" and countersigned by "M. Thorburn," "Store Keeper and Accountant."

61. Upon what authority are stores given out, and how are they charged to the several departments?

"Stores" are given out upon orders emanating from, and signed by the respective Superintendents of Departments, and the classification of same is stated upon the face of each order.

62. What is the nature of the Vouchers which you take when the Stores are given out?

The "Vouchers" taken are "Orders" signed by the head of each Department and verified by the parties deputed by them to receive the "Stores," when "Stores" are forwarded by Train for out stations, the receipt of "Freight Agent" (when goods are sent by Freight Train) and of "Baggage Man" (when they are sent by Passenger Train) is taken.

63. Do you keep books in the Department which shew how much of any article has been received and given out, and how much should be on hand?

We do, it is called the "Stock Book."

64. What expenses are charged to the Store Department besides the cost price of stores?

The expenses charged in addition to the first costs are, "Clerks' Salaries," "Office Expenses," "Freight" by our own and other roads, "Ocean carriage" and "Customs charges."

65. When goods are given out of Store at what advance on the invoice price are they charged? Is the same advance charged on all goods, and, if not, state the rates on different classes of goods?

The advance upon cost price charged in giving out "Stores" has been as follows, irrespective of class, namely, upon Canadian goods, or those purchased in Canada $12\frac{1}{2}$ per cent, upon such as are obtained from the "United States" 30 per cent, and upon such as have been imported from "Great Britain" or elsewhere 35 per cent. Upon some goods such as "Rails" no advance whatever has been made, the respective "charges" merely, such as "Freight," "Duty," &c., have been added to the first cost in "England." These rates are under revision and will be considerably reduced.

66. Give a statement for the year 1860, shewing the amount at debit of Store Account for goods purchased, and other charges against the Department, classified, as salaries, carriage, &c., also the amount at the credit of this account classified according to the rates of advance upon the invoice price at which they were charged to other Departments?

The amount at debit of "Store Account" upon the 30th June, 1860, (the end of the financial year) was :

| | |
|----------------------------------|--------------|
| Stock commencing the year.... | \$247,749.93 |
| Purchases during year..... | 992,009.18 |
| Freight upon goods..... | 63,733.74 |
| Customs charges..... | 23,130.89 |
| Insurance and general charges .. | 38,578.43 |
| Salaries and Wages | 15,490.64 |
| Stationery..... | 505.82 |

\$1,381,198.33

Total amount being, say, one million three hundred and eighty-one thousand one hundred and ninety-eight dollars and thirty-three cents. And

the amount at the credit of this account, being stores issued to other Departments, &c., for same period, was :

| | | |
|-----------|--------------------------------------|--------------|
| Issued to | Locomotive and Car Departments... | \$700,960.41 |
| Do. | Traffic do. | 56,105.66 |
| Do. | Engineering do. | 171,356.25 |
| Do. | Telegraph do. | 5,859.55 |
| Do. | other Roads and neutral parties..... | 39,474.55 |
| | | \$974,056.42 |

Total amount being, say, nine hundred and seventy four thousand fifty-six dollars and forty-two cents. Upon this amount the advances in rate over cost price have been charged--as per answer to question No. 65.

67. Are old materials returned into Store and do you credit the several departments from which they are received?

Yes!

68. In taking stock upon what principle do you value the goods?

The "Stock," when no depreciation has taken place, has been valued at its first "Invoice price," with such charges added, as occurred in the delivery of the articles into "Store House."

69. Were there any goods in Store when you took stock this year, which had been held at a nominal value greater than you consider their real value?

There were.

70. State some of the principal instances of such depreciation in value, and give an approximate statement of the total reductions made by your last valuation?

The principal articles whereon a difference in value existed between Stock, as taken on the 30th June, 1860, and that taken on the 31st December, 1860, were Glass, Plate and Common Window, Iron, wrought as B. B., S. C., Crown, Low Moor and Sheet Iron, Rivets, Wrought Iron, Rope, Manilla, and Screws, Iron do., Brass. The total difference in value, being a reduction in favor of stock on hand on the 31st December, 1860, amounts to fourteen thousand dollars, nearly (say \$14000.)

The articles, themselves, have not really deteriorated in value, the above merely represents the difference upon comparing Rates at the two periods at which the stock was priced out. I am not prepared to say how far this may have been attributable to the fall in prices, between the two periods referred to. My impression, however, is that they were about the same.

71. Upon taking stock this year, was there any serious deficiency in the quantities of the goods, which should have been in hand, if so, state some of the items in which the principal deficiency occurred, and, approximately, the money value of the whole?

Any deficiencies found at last stock taking were trifling, both in extent and value, and nearly counterbalanced by excesses. The total deficit does not amount to more, in value, than one thousand dollars, say \$1000, approximately; many of the discrepancies found arise, I am convinced, from the difficulty of obtaining uniformity in nomenclature of articles, and as all parties in the Department are not practically conversant with the goods represented by certain names, mistakes of this nature are apt to occur, I have noticed this frequently, and so far as practicable, endeavoured to do what I could to check it.

N. B. I must except the article Coal in this answer as it was so covered up with snow at the time as to prevent my verifying the quantity, it may therefore be considered doubtful.

72. Give a Statement of the money value of the stores in hand, as ascertained when stock was taken December 31st, 1859, and December 31st, 1860?

The money value of the stock of stores, as actually found, on the 31st December, 1860 was, at

| | |
|------------------------|--------------------|
| Point St. Charles..... | \$273047 19 |
| Toronto..... | 27181 76 |
| Detroit..... | 2829 53 |
| Total..... | <u>\$303058 48</u> |

Portland was not taken! In fact the sole reason for taking stock any where at that time was my desire to verify the Stock Book and see that I really had in stock what was there represented. Stock has been taken hitherto annually, on the 30th June.

The value of the stock, on hand, when taken on the 30th of June, 1860 as then priced out, was at

| | |
|------------------------|--------------------|
| Point St. Charles..... | \$317899 06 |
| Toronto..... | 28869 03 |
| Detroit..... | 3850 32 |
| Portland..... | 48369 56 |
| Total..... | <u>\$398987 97</u> |

I cannot give any reliable statement for the 31st December, 1859, as stock was not taken at that time.

73. Are the accounts of the stores at Portland and Detroit kept on the same plan as yours? Are their balances included in the general balance of the Store Account?

The "Accounts" of the "Stores" at "Portland" and "Detroit" are kept in the same manner as at "Point St. Charles," but quite distinct from it.

74. What is the nature of Locomotive Stores ?

“Locomotive Stores” mean those “Stores” held at the respective “Engine Stations” upon the line, where there are Workshops for doing slight repairs to the Rolling Stock.

75. Is Stock of Locomotive Store taken annually?

“Stock” of “Locomotive Stores” has always been taken every six months.

76. Are the balances of the Locomotive Stores included in the general balances of Stores ?

The balances of “Locomotive Stores” are kept quite distinct from “Stores” balances.

77. Give a statement of all the employés of the Company, whether in Canada or elsewhere, under the following heads :

Direction, Office and General Expenses ;
 Engineering and Maintenance of Way ;
 Traffic Department, including Stations and Agencies ;
 Locomotive, Car and Fuel Department ;
 Store Department ;
 Telegraph and other Departments not included in the above ;

giving the names, offices and salaries of all persons receiving \$2,000 or upwards, and the numbers, offices and salaries in other cases. (Vide as a specimen Appendix K, in Mr. Blackwell's Report of October, 1859.) (Vide Appendix XXII. page 137.)

Questions to Mr. Trembicki, Assistant Engineer.

78. What is the present condition of the Track, and is there in your opinion any further expenditure necessary either for Bridges, Ballasting, Rails, &c., other than what will be chargeable to ordinary maintenance of Way ?

Up to the commencement of the present year the track was in excellent condition, but since then the rapid succession of snow storms have prevented the usual work which is taken in hand at this season being performed and the consequence is that the running is rather rough. This will however soon be remedied—I anticipate no further expenditure on account of bridges, ballasting or rails beyond what will be chargeable to ordinary maintenance of way, unless the necessities of the traffic involve extensions of existing works or increased accomodation at stations.

79. Give a statement of the number of miles of track which have been re-laid with new rails, and with rerolled rails, distinguishing the several sections of the road? 31st December, 1860 :

| | Miles. |
|--------------------------------------|--------|
| Portland Division..... | 40½ |
| Eastern " | 17½ |
| Central " | 34½ |
| Western (Toronto and Stratford)..... | 2½ |
| Total..... | 95 |

80. What is the form of the new rerolled rail and the weight per yard? What is the contract price for rerolling at Toronto?

The form of the new rerolled rail is that of a high T rail with fish holes, it is joined to its neighbours by means of a pair of fish plates and 4 bolts, its average weight per yard during the year 1860, was 63.42. The contract price for rerolling at Toronto is \$28.50 per ton of 2240, for all rails coming from the East of Kingston, and \$29.50 per ton of 2240, for all rails coming from the West of Kingston, the former price being a reduction made in favour of the Company to compensate it for the increased length of carriage.

81. What is the comparative cost of the fish joint of the new rails, and the chair used in the original construction?

The cost of the fish joint is as follows :

| | |
|-----------------------|-------------------------------|
| 2 Plates..... | 18.66 lbs. at. 4ct. 76, |
| 4 Bolts and Nuts..... | 5.25 lbs. at. 7ct. 37, \$1.13 |

The cost of the chair used in the original construction was \$0.60. We only use 7 fish joints where we formerly used 8 chairs, owing to the new rail being 24 feet in length, whereas the original rail was 21 feet, so that the difference comes to about 46 per joint.

82. Do you perceive any injurious effect to the bridges, either of wood or iron, from the severity of the climate? Does the extreme cold add to the expense of keeping them in repair?

The extreme cold affects both the wooden and iron bridges injuriously the former by rendering the bolts more liable to breakage, the latter by snapping the rivets. The consequence is that they have to be examined more frequently than in spring, summer or autumn, and their repairs are more costly.

83. Do you perceive any injurious effect to the rail from the severity of the climate?

Rails are affectedd very injuriously by severe weather. In the mild weather a broken rail is a scarce occurrence, whereas since the commencement of this winter, we have had up to the 16th February, rails broken as under;

| | |
|------------------------|------|
| Portland Division..... | 73, |
| Eastern "..... | 246, |
| Central "..... | 460, |
| Western "..... | 31, |
| Detroit "..... | Nil. |

This is independent of rails removed when found in such a condition as to render the fact of their early breakage almost certain.

Questions to Mr. Hardman, Auditor.

84. Upon what principle are the charges for carriage of the Company's own property made by the Traffic Department? Does the department charge the actual cost of carriage only, or does it charge at the same rates as for similar freight for individuals?

The Traffic Department charges the actual cost of carriage as nearly as can be ascertained.

85. The accounts "Locomotive Power" and "Merchandise Cars," have at their credit various items for carriage for the Company and Contractors, principally for Engines and Cars ballasting, and the balance only is charged to revenue. Does the Traffic Department take any account of this kind of freight in its traffic returns? How are the rates for this kind of freight determined?

Traffic Department does not take any account of this kind of freight in its traffic returns. Rates are determined by Locomotive Superintendent.

86. Please to give a statement of the account current with the Great Western Railroad Company under the present traffic agreement. (Vide Appendix XIII. page 78.)

87. Please to give a statement of the account current with the Hon. J. Hamilton on account of the Lake Steamers. (Vide Appendix XII. page 76)

88. Please to give a Statement of the Bonds which have been issued by the Company, of the several Classes and of the Amount of them which is hypothecated, and to whom hypothecated?

Answered by Mr. Elliott.

Authority was given to issue Bonds, as follows :

By the Original Prospectus confirmed by Act of the Canadian Parliament, £1,811,500 sterling, (" Ordinary ") Debentures, of £100 sterling each, payable in 25 years, bearing interest at 6 per cent. per annum, payable half yearly in London, and convertible into Shares, on or before the 1st day of January, 1863, at the option of the holder.

By the same, £1,811,500 Debentures, convertible into Bonds of the Provincial Government, of £100 sterling each, payable in 20 years, bearing interest at 6 per cent. per annum, payable half yearly in London.

By the Shareholders, at their Third Annual Meeting, held at Toronto, on 10th November, 1856, £2,000,000 Preference Debentures, to be for not less than £100 sterling each, to bear interest at 6 per cent. per annum, and to be re-payable in 25 years.

And £500,000 " C " Bonds, each Bond for £100 sterling, to bear interest at the rate of 6 per cent., and to be re-payable in 25 years.

By the Shareholders at their Fourth Annual Meeting, held at Toronto, on 29th September, 1857, £2,000,000 (" 7 per cent. ") Debentures—(see printed proceedings, Fourth Annual Meeting, page 14)—" Resolved, That the resolution of the Directors, of the 6th day of July, 1857, for increasing the Capital of the Company, under the authority of the Grand Trunk Railway Act, 1854, be approved so far as to admit of the raising of an additional Capital of £2,000,000, and that the Directors be, and they are hereby authorized, to raise the sum of £2,000,000, or so much thereof as may be required, from time to time, for the purposes of the Company by Bonds of the Company, bearing interest at the rate of 7 per cent., and re-payable, one-third in 5 years, one-third in 10 years, and the residue in 15 years, and that such Bonds be issued by the Directors, upon such terms and conditions, and at such premium or discount, and to such persons as they shall from time to time determine."

At the same Meeting in reference to the before mentioned, £500,000 " C " Bonds—the Directors, in their Report, stated their intention to cancel these Bonds, and to issue for the present but £1,500,000 sterling of the 7 per cent Bonds.

At the fifth annual meeting of Shareholders held at Toronto, on the 15th December, 1858, the Directors stated in their Report: " Within the last few months the Directors have found it necessary to meet current demands to convert £500,000 of the Consolidated Stock of the Company into 7 per cent Debentures, upon Shareholders subscribing for a like amount of the new capital".

At a special Shareholders' Meeting held at Toronto, on 23rd March, 1859, £1,111,500 (" Second Preference ") Debentures to bear interest at the

rate of 6 per cent per annum, re-payable in 20 years, to rank next to the first preference Debentures.

At the sixth annual Meeting of Shareholders, held in Montreal, on 23rd May, 1860, £1,500,000 Bonds or Shares (*not hitherto issued*) bearing interest at such rate, and re-payable by such instalments, and re-payable at such periods, as the Directors shall from time to time determine.

The Bonds issued to 31st December, 1860, are :

Adopted by the Company—

| | | | |
|---|-----------|----|----------------|
| Montreal City Bonds..... | \$400,000 | 00 | |
| British American Land Co.'s Bonds... | 100,000 | 00 | |
| Montreal Seminary Bonds..... | 100,000 | 00 | |
| Island Pond Bonds (7 p. c.) Bonds of St. Lawrence and Atlantic Railroad Company | 438,000 | 00 | |
| Quebec and Richmond Bonds..... | 486,666 | 67 | |
| | | | \$1,524,666 67 |

Issued by the Company—

| | | | |
|---------------------------------|-------------|----|---------------|
| First Preference Bonds..... | \$9,733,333 | 33 | |
| Second Preference Bonds..... | 4,066,262 | 23 | |
| 7 per cent. Bonds due 1862..... | 2,420,490 | 21 | |
| Do. due 1867..... | 2,433,333 | 33 | |
| Do. due 1872..... | 2,288,212 | 37 | |
| 6 per cent. Ordinary Bonds..... | 8,335,821 | 34 | |
| | | | 29,277,452 81 |

Calculated at par..... \$30,802,119 48

Bonds Hypothecated—

There has been no return of Bonds Hypothecated by the London Directors, since 26th October, 1860.

Questions to Messrs. Borst & Halliday, Toronto.

89. Have you during the past year employed the Grand Trunk Railway in the Freighting Department?

90. What was the nature of your business and what has been your experience generally as it regards the way in which business has been transacted, giving dates? (*Messrs. Borst & Halliday declined answering.*)

Questions to Mr. Gustin, Superintendent of Toronto Rolling Mills.

91. Have you, during the past year, examined the material of which the rails furnished for re-rolling by the Grand Trunk Company is composed; will you give a description of the same and your opinion as to the original value of it in comparison to English rails generally in use?

I have examined the rails furnished by the Grand Trunk Railway Company sent here for re-rolling, they vary in quality very much. I think they would not average equal to medium quality.

92. Has the original quality of the metal any deleterious effect upon the re-rolled rails?

The original (innate) quality of the metal is not changed in the re-rolling, but the character of the Iron is changed from a short brittle fracture to a tough and fibrous one, hence the re-rolled rail is much improved as compared with the original and by our process of hammering and putting new iron of best quality on the top of the rail, its quality is made more than equal to the best English rails.

93. What price per ton do you receive from the Grand Trunk Railway for re-rolling rails?

The price paid by the Grand Trunk Company is, I believe, twenty-eight dollars fifty cents and twenty-nine dollars fifty cents per ton.

94. Have you re-rolled rails at your Toronto Mills for Thos. Brassey & Co., what is the contract price for the work?

We have re-rolled rails for Mr. Thos. Brassey & Co., at twenty-eight dollars fifty cents per ton, the rails are of a lighter pattern, but the old rails furnished are superior to the larger part of the Grand Trunk Rails delivered to the Mill.

Questions to Mr. Jas. Young, Toronto.

95. Have you sent produce by the Grand Trunk Railway to Boston?

I have.

96. Have you been satisfied or otherwise with the manner in which the Grand Trunk Railway has carried your produce, giving the dates in each case when you have any remark to make upon the manner in which the service has been performed?

I have not been satisfied with the manner in which the G. T. R. R. have carried my produce; on the 7th January last, I consigned to Messrs. Charles Bockus & Son, Boston, 300 barrels flour per G. T. R. R.; on the 11th January, I also consigned to the same firm and by the same route 100 dressed hogs weighing 22,000 lbs.; on the 10th February, 100 of the 300 barrels flour reached Boston; after several communications by letter and telegraph from Boston, that, the stuff had not arrived, I applied repeatedly at the Office here, (as the hogs being a perishable article, I was afraid they would be damaged, as the weather had set in very mild here), I received a letter from Mr. Jones, dated March 1st, stating the 200 barrels flour were lying at Montreal, and the hogs had been sent forward, (from there) on the 21st of February; on the 1st March, Messrs. Bockus & Son wrote me, "your hogs have at last reached us, but reached a market duller by 75 cents per 100 lbs., than the one they ought to have come to," by which I lost about \$165, the remainder of the flour arrived at Boston from the 1st to the 14th March instant.

97. Do you continue to employ the Grand Trunk Railway to do your business in this line ?

No, I am now sending by the Great Western Railroad *via* Suspension Bridge, at the same rate of freight as the G. T R. R., I have sent 1700 barrels by that route, and it is forwarded satisfactorily.

Questions to Mr. J. G. McGrath, Agent for Thos. Brassey, Toronto.

98. Did you receive Rails from the Eastward last fall by the Grand Trunk Railway ?

Yes, for Brassey and Co., Railway Contractors.

99. Was there any unnecessary delay in delivering them ?

None that Brassey & Co., had reason to complain of.

100. Please state the circumstances together with the date of the transaction ?

Date of transaction 12th October, 1860.

Questions to Mr. Shanly.

101. What are your duties and powers as General Manager of the Grand Trunk Railway ?

The duties of the Traffic Manager are defined by a resolution of the Board dated 15th December, 1858, a copy of which I append hereto.

GRAND TRUNK RAILWAY COMPANY.

EXTRACT from minutes of the Canada Board of Directors at an adjourned meeting held at the Offices of the Company in Toronto, on Wednesday the 15th December, 1858.

General Traffic Manager.

Resolved.—“ The details of management in every thing appertaining to the traffic to be entirely under his control ; all the officers in that department, viz : Superintendents, Freight Agents, Station Agents, and employes in the Traffic Department being directly responsible to him ; but in all questions involving the general interests of the Company, such as the establishment of connexions with other lines and the fixing of through rates, the sanction of the Managing Director or the Board should be first obtained before such arrangements are entered into. The General Traffic Manager to be responsible to the Board for the entire management of the traffic ; and before any extraordinary expenditure in new works appertaining to traffic is determined on, he shall in all cases be consulted as to the expe-

diency or necessity of such expenditure; and all appointments and dismissal of officers in his department are only to be made upon his recommendation. Reports, at least once a month on the fluctuation of traffic and on such other matters as require special remark, shall be forwarded by the Manager to the Secretary for the information of the Board."

A True Extract,

JOSEPH ELLIOT,
Secretary and Treasurer.

102. When you require engines for your trains, or there is snow or other impediment on the line, have you the power to give the necessary orders?

The Traffic Manager either personally or through his District Superintendents can call upon the Superintendent of Locomotive Department to supply such engine power as he may require for the working of trains or for other purposes, clearing the line of snow for instance; and the engines, while out of the shops, are under control of the Traffic Department. It rests, with the Locomotive Superintendent, however, to decide what power he can furnish. The responsibility of keeping the line clear of snow or other impediments rests with the Engineer Department altogether, save as regards the working of snow-plows which are treated as trains and controlled by Traffic Department.

103. Do you not find this division of power and responsibility work disadvantageously?

The division of responsibility is detrimental to the interests of the line. I am of opinion that railways can only be efficiently worked by one man power pretty despotically wielded.

104. Can you suggest any change in the general arrangements and distributions of authority which would obviate any of these difficulties?

The Departments among which the working of the line is apportioned are in themselves properly constituted, but a General-in-Chief over the whole is wanting in the person of a Managing Director thoroughly conversant with the working of railways, and whose power over all the working staff of the line should be absolute.

105. Do you consider the present division of the road into sections under different Superintendents, the best that could be adopted. State any changes in this respect that you would recommend?

Some modifications of the boundaries of the Districts into which the line is at present divided might be advantageously made, and are in contemplation, but what is chiefly wanted to ensure unanimity of action among the local superintendents is an out-door Deputy of the Managing Director, whose duty it would be, to be continually on the line, to see the

movement and equitable distribution of cars, and exercise upon the line the full powers of the Managing Director over all Superintendents and heads of Departments. The great length of the road must always render it impossible for the General Manager himself to be as often present as would be desirable.

106. What is the present condition of the track between Montreal and Toronto?

Apart from the bad condition of the rails the track is in as good condition as could be looked for this season of the year: with such quantities of snow and ice encumbering it, and the ties and ballast completely frost bound.

107. Have the rails by their bad condition caused casualties and extraordinary expenses in working the line during the past year?

The destruction of property and the interruption of trains owing to the breakage of rails are very great and of frequent occurrence. In fact I may say that no day passes now without some cars being disabled or some train stopped from this cause; and that no accident has occurred to passenger trains, or that no life has been lost in any of the many accidents happening to freight trains may be looked upon as purely providential. Besides the large additions to working expenses by the destruction of the company's engines and cars owing to the dangerous condition of the rails, large sums will have to be paid for damages to freight incurred from like cause. On the central division alone (Toronto and Montreal) considerably upwards of two miles of rails have broken like glass this winter.

108. What proportion of the rails on this section will, in your opinion, require relaying within the next two years? What do you consider the average time at which the whole of the original rails on this section will have required to be renewed?

Not being myself in a position to answer this question I have transmitted it to the Superintending Engineer, Mr. Trembicki. (*Mr. Trembicki gave the following answer:*)

About 35 miles will require to be relaid in the course of the present year, and 40 miles in the course of 1862?

I consider that the end of the year 1865, or, at the furthest, 1866 is the extreme limit to which any of the original rails will last?

Their average life may therefore be stated at from 7 to 8 years.

109. Do the grades and the alignments of any portion of the line operate seriously against the freight traffic. If so, what sections are chiefly affected thereby, and what are the results?

The gradients and alignment of the road between Toronto and Montreal, especially west of Kingston, are very unfavorable to economical work-

ing. The natural contour of the ground was too closely followed in the construction of the line. The changes of grade are very frequent and what we term the maximum gradient, 53¹/₂ feet per mile, is constantly encountered in a succession of short planes undulating over the face of the country. The difficulty of working the central division, as compared with the Western, owing to the worse character of the grades on the former, I estimate to be as 4 to 3, that is the engine that could pull 30 loaded cars from Sarnia to Toronto, would have to cut off 5 in starting from Toronto for Kingston, &c.

110. Do you think that your arrangements for meeting the difficulty of snow storms are sufficient, as efficient snow ploughs, snow fences, &c., &c.?

We ought to be better prepared, especially after the experience of the present winter, then we now are for meeting the difficulties attendant on snow storms; we want more snow ploughs and of a greater variety of construction, than we now have; we want more engines too; and some miles of snow fencing between Montreal and Coteau du Lac would be the means of saving a deal of labor every winter. The points where the principal drifts occurred this winter have been carefully noted as a guide for erecting snow fences when the company may be in a position to do so.

111. Is the contract with the Honorable John Hamilton, with respect to the lake steamers, still considered in operation?

The contract has not been annulled as yet, Mr. Hamilton has offered to give it up, however, provided he can be released from the charter of the two American Steamers, "New York" and "Northerner," and the owners of those vessels offer such release on condition of being paid, in consideration thereof, a sum of \$5,200. One half of which would have to be borne by the Grand Trunk Company. The offer has been before the Board of Directors for some time, but no action has as yet been taken upon it, and the contract, therefore, remains in force.

112. Are you aware of any further charges on account of the contract that are likely to fall upon the Grand Trunk Railway Company, beyond the account furnished to us to December 31st, 1860?

The shaft of the "Northerner" broke late last season and is now being repaired by the owners of the boats. Should the charter be annulled, under the offer referred to above, the cost of repairing the shaft will remain a charge upon the owners, otherwise the expense will fall jointly on the Honorable John Hamilton, and the Grand Trunk Company. The steamer "Jenny Lind" is also included in the charter; she broke from her moorings in the severe gale of 25th November last, drifted down the river, and now lies in shoal water, ice bound, a mile below Osgendunburgh. To put her into a proper state of repair will cost about \$1000, which expense will have to be borne equally by Mr. Hamilton, and the Grand Trunk Company. I know of no other liabilities consequent on the contract with Mr. Hamilton, beyond those stated in account furnished to 31st December, 1860, and the two items here specially referred to.

Questions to the Hon. Jno. Young, of Montreal.

113. Please state your views as to the true principles which should govern the traffic arrangements of the Grand Trunk Company, having regard to the interest of the company itself, and to the general commercial policy of the country, and explain the reason why, in your opinion, so small a share of western trade is attracted to the St. Lawrence route by railroad and canal?

To answer this question fully would require more time and consideration than I can now devote to it. I shall, therefore, confine myself to one point which affects the traffic arrangements, and has much influenced the management and action of the Directors, namely, that it was the policy and interest of the Grand Trunk Company to run off and destroy the water lines of transport on the St. Lawrence and Lakes; to ruin them by competition, and to prove the road was superior to water communication in the conveyance of freight of all kinds, heavy as well as light. Such a result has always appeared to me both impracticable, with reference to a series of years, and, that even if the ruin of the water transport was practicable, it would be hurtful to the company's interest.

The freight and passenger traffic of the West is the great object of desire to the various lines of inland transport in America, and the trade of the West is so vast and has increased, and is now increasing with such rapidity, that before long all the present channels of conveyance will prove inadequate. Hitherto Canada has attracted but a very small part of the trade through the St. Lawrence. *Ninety-three per cent* of all downward freight from Western Canada and the Western States diverges from Lakes Ontario and Erie, and is carried through the canals and over the railways of New York for consumption in the non-producing Eastern States, and for export. The terminal for this trade on the Atlantic are New York and Boston, at which places the vast imports from foreign countries are received. The amount of up freight which these imports, together with the manufactures of the Eastern States furnish to American railways, canals, and to the vessels on the lakes, for the Western States, have tended to aid in producing that superiority to the route to and from the West, through the State of New York, which it undoubtedly now possesses. In the State of New York the rail runs parallel with the water line of travel, and while the latter carries nearly all the heavy and bulky freight, the former carries the more valuable goods, some of the rolling freight, live stock, etc. The parties engaged in this trade, between the Atlantic and the West, are moved and follow on the same line as the freight. *Fifty per cent* of the downward freight is received by lake at Buffalo—and about *twenty-two per cent* at Oswego. The cost of transport is influenced by the size of the vessel and on the cargo being water borne to the greatest distance without breaking bulk. Vessels of 750 tons can proceed from Chicago and other western ports to Buffalo without breaking bulk, while a vessel going to Oswego or Montreal, is limited by the capacity of the Welland Canal which only admits vessels of 300 tons. Hence the superiority of Buffalo as a receiving point. Besides, adjacent to Buffalo and Oswego, there is extensive hydraulic power (now fully occupied) where flour is extensively

manufactured and which forms a convenient railway freight, during winter and summer, and helps as a means of attracting trade to these points. At Montreal, in 1859, *only seven per cent* of Western States and Western Canada downward trade was received, although the Provincial Canals, and the Grand Trunk Railway were in full operation. An impression exists in some quarters, that the great bulk of western cereals are exported to Foreign Countries. This is a mistake, as the statistics for a series of years shew that only *three-eighths* are exported and five-eighths are consumed in the Eastern States. Now, below Lake Ontario no adequate water line exists for connecting the Eastern States with the St. Lawrence. The nearest communication by water, below Kingston, is *via* Sorel, 45 miles below Montreal, thence up the river Richelieu to Chambly 45 miles, and from thence again to Lake Champlain by the Chambly Canal of 12 miles with 20-foot locks, and a lockage of 117 feet,—while the same point on Lake Champlain may be reached from the St. Lawrence by a canal of 28 miles long, with only 25 feet of lockage. If the Welland Canal was enlarged so as to admit the passage of same size of vessels as now trade to Buffalo, the produce of the West could be water borne to Montreal without breaking bulk in the same sized vessel (750 tons) which now stops at Buffalo, and could be delivered at Montreal from Chicago, for a cost of \$2.78 per ton, while to move the same to New York *via* Buffalo, the Erie Canal and the Hudson River, the cost would be \$5.30 per ton. Again, if a connection was made with Lake Champlain so that the 750 ton vessels could proceed to Whitehall, the produce of the West and Western Canada could be delivered throughout the Eastern States, *on cheaper terms and in less time*, than could be done by the now successful route through the State of New York. A great part of the Western States and Western Canada trade could thus be made to diverge from the St. Lawrence at or near Montreal, as the best route either for the supply of the Eastern States or for shipment at Montreal to Europe. At Montreal, too, there is now unlimited, but yet undeveloped, hydraulic power. Grain could be delivered into the mill or elevator by the interior vessel, from whence it again could be shipped into the ocean vessel, or into cars for the Eastern States. Grain could also be brought to such mills in any quantity in the fall of the year, (as it is now brought to Buffalo and Oswego,) and could be manufactured at Montreal, and sent to Portland by rail during winter, a distance of 292 miles, while from Oswego to New York the distance is 327 miles, and from Buffalo to New York 444 miles. The trade of the West may thus, I think, be directed into its natural channel, and the St. Lawrence route may be made to compete successfully with the route through the State of New York. If this were done there would be abundance of freight which it would be profitable for the Grand Trunk Company to carry, and abundance also of heavy and bulky freight for the water craft. *But until these works are carried into operation, and the superiority of our water line from the Western States and Western Canada to Montreal made evident*—a result about which every Engineer who has examined the subject is unanimous—*it is in my opinion impossible that the Grand Trunk Railway can be successful*. To the extent to which Montreal is made a terminus where property can be sent from the Western States and Western Canada, and held either for export by sea or for supplying a part of that large demand from the non-producing Eastern States, just to

the same extent will imports increase by the St. Lawrence and the Railway be employed in carrying those imports, and the manufactures of the Eastern States to the West. The railways on this continent should be considered as auxilliary, not as rivals to the water lines. *On the great water line from the West through the State of New York, the railways running parallel with the canals are the most successful in the United States.*

My own opinion is, that if we could command any thing like a fair share of the western trade through the valley of the St. Lawrence by the perfection of our water lines, the Grand Trunk Railway would be equally successful.

The course adopted hitherto by the Directors of the Grand Trunk Company of attempting to carry heavy and bulky freight in competition with the water lines has been most mischievous, and entailed a heavy loss on the Company. It has swelled the gross receipts, but has not added to the profits of the Company. It is perceptible of the clearest demonstration and the figures have been gone into and referred to in several pamphlets I have written, that the railway is most successful where the water line of transport is also most successful. The elaborate statistics on this head published by the eminent Engineers who have examined and reported upon the subject, would swell this answer to an inconvenient extent.

But the expression of an opinion from one so long conversant with the western trade and all the routes of conveying freight to and from that country, may perhaps direct enquiry into a subject of such great interest to the Grand Trunk Company, and indeed to the Province in general. The more it is examined the more apparent it will become, that the true interests of the Grand Trunk Railway demand that the Western States and Western Canada downward trade, whether for export by sea, or for the supply of the Eastern States, should diverge from the St. Lawrence, *at or near Montreal*, instead of as at present at Buffalo and Oswego. But this result cannot, in my opinion, be secured until the works I have alluded to are constructed. On various occasions I have urged these views on the officers of the Company, and my belief still is, that if the changes I suggest were carried out, such would be the amount of profitable traffic on the road, that a double track would soon be necessary, but if nothing is to be done in making the route by the St. Lawrence superior to that through the State of New York, and if it is believed that it is out of our power on the lower St. Lawrence to attract *more than seven per cent of interior trade*, then, the prospects of even the Grand Trunk Company doing a profitable business, are by no means satisfactory.

114. What are the principal defects in the present station accommodation at Montreal, and what, in your opinion, would be the best way of bringing the road into more direct communication with the city and the navigation?

The defects in the present station accommodation are first, want of *room*, and second, want of *connection with the water*. It is really surprising that such an enterprise should have been allowed to arrive at comple-

tion with so miserable and incomplete facilities for doing business at such a point as Montreal. A large saving to the Company would be effected by the rapid discharge of loaded cars from the west both at Portland and Montreal. Until lately there was really no means by which grain or flour could be discharged, except on the track at Point St. Charles. But arrangement of much greater magnitude and efficiency are required for the economical working of the road at Montreal, and unless some greater facilities are obtained, the experience of last season has demonstrated, that the business to be done cannot be accommodated, and great dissatisfaction will continue to be felt by the trade.

It is computed that the cost of cartage alone in 1860 from Point St. Charles to the city exceeded the sum of £25,000, independent of injury to property. Wheat at Point St. Charles, last fall, was worth *four cents per bushel* less than on the canal. Were this expense done away with, it would be so much reduction on the rate of freight, or the Company could charge this sum in excess of present rates without increasing cost to the public.

As to the communication with the city, I think a track should be at once carried into McGill street, and a station established there for passengers and local freight. The offices of the Company should also be placed there.

The essential point is as to the best means of connecting the railroad with water. Various schemes have been discussed and plans made for the increase of the harbour accommodation and facilitating business with the west. My own views have been frequently expressed on this subject and have been widely circulated. I am quite convinced that as to this important subject, the interests of the trade of Montreal and even of the Province, as well as the interests of the Grand Trunk Railway are identical, and that the scheme of Point St. Charles docks, if carried out, would best promote these interests. The reports and the plans giving details of the project were got up and published in connexion with the Harbour Commissioners. What is best for the harbour and for the trade is best also for the railroad; the main object being to accommodate vessels and bring them into communication with inland means of transport, to cheapen transshipments, and to enable the holders of goods to move them with despatch and economy.

The bearing of this scheme on the Grand Trunk Company will be seen from a simple outline, which was to enclose part of the bed of the St. Lawrence at Point St. Charles, immediately below the Victoria Bridge and running down to Windmill Point and the entrance of Lachine Canal. A hundred acres of shoal which lies within the limits of the harbour of Montreal, but has never been used for any purpose whatever, might thus be obtained for docks. The massive embankment of the Victoria Bridge would protect the works from above. The dock proposed to be built would be supplied by water from the Lachine Rapids, conveyed by a canal, and the outlet into the harbour would be by a lock 480 feet by 75 feet, with a lift of about 24 feet. Around the dock there would be ample room for mills, elevators, warehouses and manufactures of all kinds. Outside these three or four railway tracks could be laid down, so that the cars could discharge into the mill or elevator and from there the grain could be spouted

into the Ocean Ships. Such a scheme would bring the docks immediately in connexion with the present works and depots at Point St. Charles. It would give harbour accommodation which is much wanted, and the canal from the Lachine Rapids, with a head of 40 feet, would not merely supply the docks with water, but would supply an almost unlimited hydraulic power for manufacturing purposes, which would prove of vast benefit to the city and to the Province.

115. Have you had reason to be satisfied with the punctuality with which the Grand Trunk Railroad has carried for you ?

Since the road to Portland was opened, I have sent over it upwards of 100,000 barrels of flour. I have had frequent reason to complain of delay, which became so intolerable that before the bridge was completed I obtained permission to build a shed at Longueuil, where I attended to receiving and loading western produce destined for Maine. Since the bridge was opened this of course has been unnecessary. As to the carriage of goods the past winter, it must be borne in mind that there has not been so severe a winter and so much snow for many years, and it has been exceedingly difficult to work a railway, or to keep time on it, and these difficulties were increased by the want of room and the necessary means at Montreal to discharge freight when it did arrive. I have had a large quantity of wheat at Peterborough and adjacent towns, waiting transport all winter, but only a small quantity of it has yet been moved. There has also been large quantities of freight at various places along the line in Western Canada, which the Company have been unable to carry, and considerable financial embarrassment has been caused thereby.

As an instance of some defect in the arrangements for doing business, I may mention that, late in the season, I sent to Portland for shipment in the Ocean Steamers five thousand barrels of flour. I was advised that the whole of this quantity was received and shipped except two thousand barrels. These could not be found, and the steamer left without the flour. The whole quantity was afterwards discovered, as I understood, on the track in the cars where it had been for some weeks.

116. Were you not arbitrator in the case of some wheat shipped from Chicago, which was missing. Please state the circumstances ?

Freights being high at Chicago, a merchant there contracted with the Grand Trunk Company to deliver at Sarnia about 30,000 bushels of wheat to be transported by rail to Montreal. When it was delivered here there were 1,200 bushels short. The party acting here for the Chicago owner, demanded payment of the 1,200 bushels short, insisting that such a quantity could not be lost in transport. The Railroad Company insisted that the wheat had been weighed at Sarnia, and that all had been delivered which was received, and that if the grain was short it must have been lost on the way and that the company were not responsible. Both parties agreed to leave the matter to my decision, and I proceeded to look into the matter, but three cars containing the quantity short were found, I understand, on the track at Point St. Charles where they had been for some three weeks.

117. It has been stated to us that when wheat was delivered at your warehouses from the Grand Trunk Company, it was found on weighing that almost every car contained more than was named in the way bill. Please say if this is true and state the circumstances ?

Under the sanction of the Government, the Grand Trunk Company threw a bridge across the canal, by which the railway is brought into connection with my stores on the canal during winter. In receiving grain from cars, I found in almost every instance that instead of 350 bushels which ought to have been in the car, and for which quantity only the Company collected freight, there were from 370 up to 415 bushels in each car. The Company had no means of testing the quantity delivered on the track at the Pointe St. Charles Station, and until advised by me of the fact, were seemingly unaware of it. If this practice has continued for any length of time the loss of from five to ten per cent on freight of all grain carried, must have been very considerable.

118. It has been intimated to us that some of the officials of the Grand Trunk live at Longueuil, and elsewhere at a distance, and are not accessible during reasonable business hours. Have you in your transactions with the Grand Trunk found any inconvenience of this nature ?

I had occasion to go frequently to the Station to see if nothing more could be done to facilitate business to my store. I was thereby made aware of all the difficulties the station masters had to meet, but I was equally impressed with the belief that a *great deal more could have been done*. Having gone to the station on several mornings as early as eight and half past eight, and not being able to find the party in charge, I found, on inquiry, that both he and his assistant lived at Longueuil. On two mornings I waited their arrival which was at ten and half past ten o'clock. I represented to them that nothing was done in their absence, and that in the short days of winter, it was impossible to get on with work, beginning at that time of day, I stated these facts to the Manager, but am not aware whether any change of the system has yet been adopted. It is of the greatest importance to have loaded cars discharged at Montreal as rapidly as possible and made ready to return to the West.

Questions to Mr. Wm. Workman, Montreal.

119. Do you think that the method of purchasing stores for the Grand Trunk Company is economical or otherwise ?

I consider the method of purchasing stores by the Grand Trunk Company up till recently very objectionable, the proper method, as the Auditors have always recommended, would be to purchase by Public Tender, and for such articles as could not be so procured to be purchased by a Broker, *price and quality* being his only guide.

120. Can you give some instances of the rates at which this Company have purchased stores and a lower rate at which they might have been purchased ?

From the inspection of Invoices which have come before the Auditors, instances of this kind are numerous and glaring.

121. Do you think there is a sufficient check in the receiving and giving out of stores ?

In the *receiving* system, I have heard of irregularities, and have written information now in my hands of Coal Tickets usually granted to Carters on delivery of Coals for the Company, having been afterwards offered for sale at a price equal to 50 cents for a chaldron.

With the system of *delivery* I am not familiar.

122. Is the Oil which is given to Mr. Pomeroy first purchased by the Company and entered amongst its stores ?

The Oil appears to go from Messrs. Hastings & Co., of whom it seems to be purchased, to the Toronto Oil Works, and when Messrs. Hastings & Co., furnish their account, it appears to be checked by the Oil Manufacturers in Toronto, who I understand inform the Company's Storekeeper of the correctness of the account.

123. Is there any account kept with Mr. Pomeroy of the Oil furnished to him, and received back from him after undergoing his process ?

I am not aware of any system except that referred to in the previous answer, and have never been able to learn by what means the Company ascertain the relative proportions of the cheaper and higher priced crude oils, which are used in the manufacture of the refined article, and as there is a considerable difference of price, some mode of checking this would appear necessary.

124. Do you believe that as good or better Oil could have been procured at a less price elsewhere. If so, please state the circumstances of the case ?

The Auditors found Tenders for Oil, (certified by Mr. Hodges, to be of a very superior quality) at one dollar per gallon for best purified "Masons Sperm," or 12½ cents per gallon for converting the crude into the refined.

125. Are the Books and Accounts of the Company kept upon a good system, and are they efficiently checked and audited ?

As a general thing the Office Business of the Company seems to be very efficiently arranged and every thing kept in exact order.

The books are well kept, the system might in some things be improved. So far as the entries and posting are concerned, they seem to be carefully checked.

126. Do you think the Staff of Clerks at Head Quarters could be diminished ?

Yes I do.

127. Can you state any facts with regard to the price and quality of Rails which might have been purchased new, at a less cost than those rerolled ?

At the present quotations of Rails in England it would appear that new Rails would be much more economical for the road than re-rolled rails.

| | | | |
|---|-------|----|--------|
| The English market for rails F. O. B. averages about. | £5 | 10 | 0 |
| Freight and Insurance | 0 | 14 | 0 |
| Duty..... | 0 | 11 | 0 |
| | <hr/> | | |
| | £6 | 15 | 0 stg. |

at present rate of exchange 8 per cent. would be £8 2 0 currency ; or even @ 9½ the legal par would be £8 4 3 for rails delivered at the Company's Line.

Old rails are well worth \$22 00 per ton, one sale of old flat rails has recently taken place at \$27 00. The price paid for re-rolling rails averages \$29 00, which, if added to \$22 00, the value of the old rail makes \$51 00 as the cost of a ton of re-rolled rails against \$32 85, the price for which new rails can now be laid down for. If parties desire rails inspected a small additional charge would be made for that.

128. Please furnish a copy of the Contract with Gzowski & Co. for rolling rails ? (Vide Appendix XX. page 133.)

129. Please furnish a copy of the Contract with Mr. Pomeroy, for Oil ? (Vide Appendix XXI. page 135.)

130. Can you state the price at which rails can be rerolled at other establishments ?

Answered by Mr. Trembicki.

There is no other rolling mill for rails in Canada but the one in Toronto ; on the Portland District, we have been in the habit of getting rails rerolled by the Bay State Iron Company, at a cost of \$25 per ton, these rerolled rails not being subjected to the process of hammering as in the case of those sent to the Toronto rolling mill.

Questions to Mr. D. Maguire, Road Master, Montreal and Champlain Railroad.

131. What are your duties upon the Montreal and Champlain Railroad ?

Superintend repairs of Track, Culverts, Bridges and Fences, &c.

132. What is the length of road between Montreal and Rouse's Point ?

Forty-four miles.

133. What kind or pattern of rail is in use upon the line, and where were they manufactured ?

T rail manufactured in England.

134. When were the present rails laid in the track and what is their weight in yard ?

The rails were laid in 1852 and weigh 56lbs. per yard.

135. How many trains have run per day during the past winter ?

Three trains per day.

136. What is the average weight of your Engines ?

From 22 to 26 tons.

137. How many rails have broken during the past six months ?

5 rails have broken the last winter.

Questions to Mr. Robert Esdaile, Broker, Montreal.

138. Do you think that the traffic arrangements of the Grand Trunk Railroad Company are such as to give satisfaction to those sending produce by them ?

No—The arrangements are any thing but satisfactory, more especially in regard to grain, the total want of accommodation for receiving or delivering grain are such as almost to amount to a prohibition of traffic, and parties are very unwilling in consequence to receive consignments of grain by rail. There is no one provided by the Company, whose duty it is to see the grain weighed and delivered to the consignees, and each person is compelled to send his own men and scales to weigh his grain : this should be done by the Railroad by which a great saving of time and annoyance would be effected, a temporary place should also be provided at once where all grain should be discharged into, within a certain time. At present the Company merely provide the cars, leaving the shippers to load and unload them, charging for the cars as containing 350 bushels of wheat while in many instances 400 bushels are put into the cars, thus entailing a loss to the Company who ought to charge by weight.

139. Can you mention any instances of delay and mis-management which have come within your knowledge ?

Not being in the habit of receiving consignments by the Railroad, I have little personal knowledge on the subject, but my firm has, during the winter, bought wheat as far back as the beginning of January last, which wheat we have not yet received, it either being delayed on the road, or not shipped from the Company being unable to provide cars, and I have to-day (20th March) seen Railroad receipts for wheat dated 12th and 15th January, which has not as yet reached Montreal, and have two instances of delay mentioned to me to-day: One of grain shipped from Chicago on the 17th December last for Quebec, which only arrived on the 10th March, and the other of flour shipped from Chicago the 25th January not yet arrived at Quebec. In both these cases entailing heavy loss from decline in prices. A large shipper of wheat from Stratford states that he has only been able to get one car from the Company since January.

140. If proper station accommodations, and communication with the water, were provided at Montreal, do you think that there is a prospect of a profitable traffic in produce from the west?

I do, and from my knowledge of the grain trade, I am persuaded that if proper accommodation were provided at Montreal, the extent of traffic that would be done by the Grand Trunk Railroad would only be limited by their capacity to carry the produce that would offer, and this increased freight business would, no doubt, be accompanied by an increased passenger traffic, and also by a largely increased upward freight traffic, as from the almost impassable state of the roads at certain seasons, it is impossible to cart heavy goods to the Railroad Depot which deprives the road of a large amount of business they would otherwise get.

I may state, that in my opinion, until a proper Terminus be provided for the Grand Trunk Railway, no judgment can be passed as to whether the Railroad will ever pay or not, as it has not yet had a fair trial.

I cannot speak as to the profit of the traffic but only as to the extent of it, but I believe that in years of good harvest, such as last, the Grand Trunk Railway would have as much business as they could do from the Canada local trade without the western through trade at all, which is admitted less profitable than the local traffic.

If the Railroad Company could provide more storage on many points of the line where they would receive produce and grant warehouse receipts on which the holders could raise money, it would tend to bring large amounts of produce to Montreal that now finds its way elsewhere.

I may add that it is not an uncommon thing for cars of wheat to remain unloaded for ten days after their arrival here, owing to the want of means for unloading, a delay that must cause a great and unnecessary loss to the Company.

Questions to Mr. A. Heward, Broker, Montreal.

141. Please to state whether from your experience the freight arrangements of the Grand Trunk are such as to give proper facilities to the trade and encourage the traffic by that route?

With reference to our recent conversation regarding the management of the Grand Trunk Railroad, I have to state, that for several years past, I have received consignments of Western States and Upper Canadian produce over their line, and I do not consider their method of conducting business such as will tend to give satisfaction.

I consider the duties of the Goods Manager in Montreal, attentively conducted, but in matters of detail left to subordinates at Point St. Charles, little interest, attention, or care, as far as my experience goes, has been shewn, great waste of time, and utter want of system manifested in all their arrangements.

Regarding through freight, I think preference to it has generally been given to the injury of local freight, and until the plant of the Road is greatly increased, a more satisfactory and remunerative business would, I think, result from greater attention to the forwarding of Canadian Produce.

The want of an Elevator or Warehouses for Grain at the Canal Basins, has during the past season been most severely felt by the trade, and has undoubtedly caused loss of much time and money to the Road.

So utterly deficient are the arrangements at Point St. Charles for the handling of Grain in a satisfactory or business like manner, that I think it would have been for better had the Company refused altogether to carry grain in bulk.

During the past season, on the arrival of Cars with grain at Point St. Charles, the Company had no arrangement made for the discharging of the same, and in many instances the receivers had to go and find out the Cars in which their grain was, and then, at their own expense and loss of time, have it removed by carts.

The charges resulting from the want of proper arrangements at Point St. Charles amounted to at least 5 cents per Bushel, which 5 cents per Bushel would have been saved, had the Wheat been on board a Barge in the Canal instead of in the Cars.

Wheat can be discharged by the Elevators in Montreal out of a Barge 2000 Bushels per hour, at a cost of a $\frac{1}{4}$ cent per Bushel.

As conducted last fall, it would take the Grand Trunk, on an average two days and a half to discharge the same quantity, and at a cost of 5 cents per Bushel.

Questions to Mr. Gzowski, Toronto.

142. Please to state what in your opinion should be the general policy which should govern the traffic arrangements of the Grand Trunk Railway Company, viewed both with regard to the interests of the Company and the commercial interests of the Province?

The general policy which should govern the traffic arrangements of the Grand Trunk Railway Company, should, in my opinion, be such as would secure for it the largest amount of paying through traffic, and to perform the work of carrying it, at the least possible cost. Such a policy would be productive of the best results to the interests of the Company, whilst developing every species of local traffic and giving it the attention and dispatch that its magnitude and value to the Company deserve, would undoubtedly affect the commercial interests of the Province most beneficially.

143. Can you point out any defects in the general management of the Company, and any changes which would tend to render it more successful as a commercial speculation ?

I cannot do so without examining into the general management of the affairs of the Company.

Questions to Mr. Shanly.

144. The rates of freight to Portland and to Boston being the same, whereas the Grand Trunk has to pay to the steamboat or railway the cost of transport from Portland to Boston, what is the advantage gained by the Grand Trunk by transporting freight to Boston instead of leaving it at Portland, which compensates for this apparent loss ?

Boston is entirely independent of the Grand Trunk ; having shorter lines of its own connecting with all the sources of western traffic,—whether in Western Canada or the Western States. If western products, then, can be laid down as cheaply in Portland as in Boston,—and the Grand Trunk, notwithstanding the greater distance it has to carry, undertakes to do that,—Portland is plainly in as good a position as a Shipping Port for those products as Boston is—to the extent, at least, of the carrying capacity of the railway :—but it is in vain for Portland to look for a trade to be built up for her at the expense of the Grand Trunk, by the latter entering into a ruinous competition with the Boston lines. Boston is nearer to western markets, and we cannot make Portland rates so low that Boston men will not put theirs lower. Boston buyers are to be met with all over Canada ; they penetrate into the very backwoods, purchasing up the products of the country,—and though we can only obtain Boston business, at rates that the shorter lines will carry for, still we cannot afford to reject it altogether, because we can get from there, all the year round, a certain amount of return freight, which it pays us to carry at almost any price.

Since the commencement of this year—for the first time in the history of the Grand Trunk—other ships besides those of the “ Montreal Ocean Steamship Company” have cleared at Portland for European ports with cargoes sent down over the Grand Trunk Railway. By the end of April some six or seven large sailing vessels and one steamer will have loaded there—two of them having brought us large westward-bound cargoes. These vessels were all chartered on Montreal account, and it is to be hoped

in the interests of the Grand Trunk that the results of this winter's business, though very injuriously affected, both for the Company and the merchant, by the severity of the winter, may have proved so far satisfactory to the latter as to warrant us in looking forward to a fair amount of shipping every winter henceforth at Portland. We cannot, of course, hope for it except in winter until Portland men go into the business, and so save us from straying away to Boston in quest of freight wherewith to load empty cars.

145. Be good enough to refer to your evidence given before the committee of the House of Assembly, on railway freights, in 1860, and to state whether that evidence still applies to your local and through rates; and, if not, state what modification there has been in them in the interval?

The principles explained in the evidence referred to remain unchanged, and ever must remain so. Several changes have, however, been made in all our freight tariffs since that evidence was given—rates being generally higher now than they were twelve months ago. The principles I allude to are—the carrying of freights for long distances at less rates, mile for mile, than for short distances;—and, as a general thing, carrying through business, passing over the whole length of the line, at lower rates, mile for mile, than local freights are carried for.

Questions to Mr. Mackenzie, Locomotive Superintendent.

146. Please state the nature of your duties and powers as Locomotive Superintendent, the organization of your staff, and to what officer of the Company you are directly responsible?

The nature of my duties is to see that the Engines and Rolling Stock generally are in efficient and working order, to superintend the repairs of same and to appropriate certain Engines for certain work, and to organize a staff at all Locomotive Stations in accordance with the requirements of the Road, to request material as required from time to time, to see that ordinary discipline is observed, and to deal with any irregularity in this Department. I am responsible to the Managing Director and the Board.

147. Are any portion of the officers or staff in your Department required to perform any extra service? What is the nature of it generally, and what are the relative amounts paid for ordinary and extra service?

The officers on my staff are not paid for extra work or service, they are paid by the month, and must be at the call of the Company at all hours, Sunday or week day as may be required.

Enginemen, Firemen, Mechanics and Labourers are allowed for extra time as is the custom on all Railways at Home and in this country. Enginemen and Firemen are paid extra for extra duty, such as Special Trains on Sundays, &c., the extra time for this service is at the same rate as ordinary wages.

Mechanics for working extra time in cases of emergency are paid at the rate of time and quarter for the first two hours, and afterwards at the rate of time and half.

148. Can you suggest any change in the organization of your Department, whereby the service can be more efficiently rendered and at the same time the expenses lessened?

I cannot suggest at present any change in the organization of my Department. My endeavours, always, have been to perform the work economically and efficiently.

149. Upon whom devolves the duty of distributing or locating the motive power?

Upon me, although the Division or Traffic Superintendent can temporarily remove an engine and men from one station to another, as the service may require it.

150. Should the tonnage on any Division be greater than the power allotted to it, could move without serious delay, in what manner and by whose authority is the emergency provided for?

The General Manager or Traffic Superintendent makes application for extra power, and when practicable, I arrange for heavier, or more engines to be removed to that quarter.

151. What is the average number of Freight Cars, fully loaded, generally hauled in good weather over the several Divisions, stating eastward and westward separately?

Our Freight Engines are capable of hauling, under favourable circumstances, on the various districts, from 15 to 17 loaded cars on an average, taking both ways.

N. B.—The grades from Sherbrooke to Island Pond are very heavy, and on that district 14 loaded cars are considered a fair load. The line between Montreal and Brockville is very favourable for haulage, and 20 loaded cars can be taken over that portion.

152. What officer of the Company defines the number of cars to be taken by the several classes of engines?

The Conductor and Driver are supposed to be the best judges, as the state of the engine, track, &c., has to be taken into consideration; and if the Traffic Superintendent or Conductor considers that the Driver is not doing his duty, he is reported to me and the matter investigated.

153. To whom are the Trainmen accountable as their head?

The Trainmen, other than the Engineman and Fireman, are not under my control.

154. To whom are the Enginemen and Firemen accountable for proper discharge of duties?

To the Traffic Superintendent while on the Road, and to the Divisional Locomotive Foreman while in the Shop.

155. Are your Snow Ploughs and other arrangements for overcoming the difficulties of snow storms as good as could be adopted, or can you suggest any alterations in them?

From the experience of this last very severe winter, I think some improvement can be effected in our Snow Ploughs, more especially in the running parts: the matter is, at present, under consideration. Four more would be of great service.

156. Have your Locomotives during the past winter required greater expense in repairs than the ordinary yearly average, if so, state, approximately, the percentage of increase in the ordinary and extraordinary repairs, and give the reason of the latter?

Yes, I should consider the increase in cost of repairs will be, at least, 20 per cent in consequence of the severity of the weather. I have never witnessed, during my experience in Canada, such destruction to Springs, Crank Axles, Tyres, Cast Iron Driving Wheels, Engine Frames, &c., &c., &c. It will take a considerable time to get over the effects of this disastrous winter, and put our Rolling Stock in the same state of efficiency it was last fall.

157. From whom did the order for the six Shunting or Pilot Engines now under construction at Kingston emanate? Where were they intended to be used? Do you think it advisable to purchase new engines of that class?

I enclose copy of Letter from the General Manager (subjoined No. 1) referring to the order for these engines. They were intended to be used as Switching and Pilot Engines, at the following stations, viz:—

- 1 at Sarnia,
- 2 at Toronto,
- 1 at Kingston,
- 2 at Montreal.

I consider 5 or 6 engines of that class will meet our requirements for station and pilot service. They have been ordered of the best material and will haul a heavy load.

158. Upon what officer of the Company falls the duty to estimate and provide the yearly supplies of Fuel for Locomotives?

I enclose copy of a Letter received from the Managing Director (subjoined No. 2) on the subject of Fuel supplies. Up to the date of this com-

munication I considered I had charge of providing wood for this department ; I beg to state that arrangements were not made last fall to secure a supply of seasoned wood, the consequence has been that our working expenses have been higher than they otherwise would have been. Doubtless, the cause of this has been the pecuniary difficulties in which the Company is unfortunately involved.

(Copy No. 1.)

GENERAL MANAGER'S OFFICE,

Montreal, 19th January, 1860.

DEAR SIR,—Mr. Christie and other of the District Superintendents, have long been asking for "Pony" Engines to do yard-work ; and when I was last in Toronto, the President authorized me to order half a dozen from the Kingston Works.

I shall feel obliged by your preparing a Plan and specification as soon as you conveniently can, taking for pattern, I would suggest, an engine of that description now in use on the Michigan Central Line at Detroit.

Mr. Tutton, meantime, is desirous of making preparations in the way of getting out stock, &c., and proposes going to Detroit, if you think well of it, at once to take the general dimensions of the engines referred to. Will you arrange with him as to the general outline, or perhaps you could send your Draughtsman to Detroit with him. He can, of course, only make us his offer as to price, after the plan, &c., is furnished.

Truly yours,

(Signed,)

W. SHANLY.

W. S. Mackenzie, Esqr.

(Copy No. 2.)

GRAND TRUNK RAILWAY,

Nov. 16, 1860.

DEAR SIR,—You will be good enough to issue instructions to the respective Wood Agents to transmit all accounts relating to the performance of Wood Contracts, and all such Returns as are necessary for the information of the Company, to this office, and they had better be addressed direct : Loco. and Fuel Department, Managing Directors' Office, Great St. James Street, Montreal.

Yours very truly,

(Signed,)

THOS. E. BLACKWELL.

W. S. Mackenzie, Esqr.

Questions to Mr. Hugh Allan, Montreal Ocean Steamship Co.

159. What is the average amount of freight which you receive from the Grand Trunk at Portland ?

About 1000 tons per week for the six winter months of exports.

160. Do you find that the business of the Grand Trunk is so conducted as to make it a favorable route for shippers and shipowners ?

Yes, as far as the state of the road and the vicissitudes of the weather permit. They are not always regular in delivering goods, and there have been often considerable delays, and complaints have been made, but I think this is more owing to the snow storms and want of rolling stock, and perhaps local inefficiency than to bad general management. The causes of irregularity are however in a great measure beyond their control.

161. What is the usual course of the trade and about what proportion of the produce you carry is Canadian ?

About nine-tenths is Canadian, the rest comes from the western states. The bulk of the Canadian produce is shipped by four or five firms. The wheat generally comes down to Montreal in bulk and is there put into our bags.

162. Does the whole of your freight come by the Grand Trunk, and do you get sufficient to load you ?

With the exception of two steamers which left during the snow storms, all the steamers have been full, and the whole freight has been brought by the Grand Trunk.

163. Have you sent any other ships than the Mail Steamers to Portland this winter ?

We have one large ship there now, and if it had not been for the difficulty of the road this winter we should have sent more.

164. What other ships have been loaded from the Grand Trunk this winter ?

There have been 6 or 8 other ships lying there for cargoes, some of which have been long detained, besides a steamer.

165. Under ordinary circumstances how much do you think the Grand Trunk could deliver at Portland during the winter months ?

With their present arrangements they might supply shipping with about 2000 tons per week.

166. Is there good accommodation for shipping at Portland, and conveniences for the trade ?

The Grand Trunk Company's wharfage is limited but good. There is not room there at present for more than four or five more ships than our own, but the accommodation might easily be enlarged. There are good private wharves sufficient to accommodate 50 ships, some of which already are and others might easily be connected with the Railroad. There are no elevators either at the private wharves or at that of the Grand Trunk.

167. Are there any port charges at Portland ?

There are no port dues properly so called, but wharfages are payable at the private wharves. Our steamers lie at the Grand Trunk wharf and pay no dues, but we have expended large sums on the Company's wharf. The Grand Trunk does not charge wharfage to ships loading or unloading for the railroad.

168. Are there any advantages at Portland for ships with freight to or from Canada and the Western States by the Grand Trunk ?

There are no special advantages. On the contrary the rates over the Grand Trunk between Boston and Canada are the same as those to Portland. In the absence of any such advantages, I should, as a shipowner, naturally prefer sending my ships to Boston as the larger port. As it is, goods come out to Boston by the Cunard Steamers, and are delivered in Montreal at the same price as those brought out by our line to Portland. This operates very much against us. There is no inducement for other vessels to make Portland their shipping port. It is very certain that if the Grand Trunk would reduce their rates to Portland, by the rate which they pay for carrying their goods to Boston, about 7s. 6d., the difference would be quite enough to induce shippers and shipowners to give the preference to the former port, and they would have as many ships there as the railroad could possibly supply with cargoes. These ships would also be induced for the sake of getting cargoes westward to lower their rates so as to bring much of this traffic also over the Grand Trunk.

169. What average amount of freight have your steamers brought westward during the past winter ?

Up to the present time (19th March) we have had five in all and expect to have seven steamers full. In November, December and the first half of January the cargoes do not average more than 200 to 250 tons. We shall make 23 trips altogether, and calculate to bring out about 12,000 tons. Other steamers which will not come to Portland until they get cargoes out will shew a much higher average. Sailing ships will be content to come out with little freight for the sake of being loaded home, as long as the present rates continue and while the St. Lawrence is closed.

Questions to Mr. Pennington, Goods Manager.

170. Will you please state the nature of your duties, from whom you receive instructions, and to what officer of the Company you are responsible ?

My duties as Freight Manager of the Grand Trunk Railway include the entire charge of all rates and tariffs connected with the Freight business of the Road, to be in constant communication with the Superintendents and Agents, to advise with our foreign Agencies upon all questions relating to through Freight, to make special contracts from time to time as may be required, and to keep a general watch upon the carrying trade of the country. All claims for loss of, or damage to Freight are submitted to me for enquiry and investigation. The Freight accounts with the Montreal Ocean Steamship Company are examined and adjusted in my office. I am directly responsible to the General Manager, from whom I receive instructions, and am in constant communication with him upon all important questions involving change of rates, or the securing of large Freight Contracts.

171. Have you authority to direct the movement of Freight Traffic ?

I have no immediate authority in the movement of Freight on the Railway, my duty is to advise the Superintendents of the quantities of Freight contracted for, its locality, and the urgency of each particular case.

172. During the past year have there been detentions or delays in movement of Freight ? Please give the localities of some of the principal occurrences, and state the causes of the same ?

There were very great delays to Freight last fall at Toronto, Sarnia and other Stations between Kingston and London, which were caused by the want of a sufficient number of Box Cars and Locomotives, also by the want of better Station accommodation at Toronto, Montreal, Portland, &c., particularly that of elevators for discharging Cars of Grain in bulk, by which such Cars might have been kept running instead of being locked up at Stations until emptied by the slow process of filling Grain into Bags, and carting it away over bad Roads.

173. Have claims been made for damages on account of delays, or in consequence of a depreciated market on arrival of consignments?

Claims for detention have been moderate, as time contracts have not been given, except in one instance, and that was a contract to convey 36,000 Bushels of Grain from Sarnia to Montreal, within a limited time, but it was not got through until several weeks after the period fixed, in consequence of which the consignee was unable to ship it by certain vessels, and claimed ten cents per Bushel damages, the claim was compromised by allowing one half. Although the Company have not sustained much loss in actual claims, they have lost much in *character* as Forwarders and Carriers.

174. Would any addition to the Company's stock of Engines or Cars have prevented the occurrences above alluded to?

It is quite certain that if the Company had been supplied with sufficient Engines and Cars to convey all the Freight offered last Fall, the loss and trouble above alluded to would have been prevented, and the receipts increased during the months of September, October and November, to the extent of from \$10,000 to \$15,000 per week, as we were obliged to put prohibitory rates on western Freight, and for a time, refuse it altogether, we are in the same position now in fact, the Freight business is altogether crippled for want of sufficient motive power, and more so in a season like the present when it takes two Engines to draw the same number of Cars that one will draw in summer.

175. What is your opinion as to the policy of the late arrangement with the Great Western Railway, for interchange of freight and passengers? Be good enough to give the reasons for your opinions, and the effect which it has upon the traffic which you have or might reasonably be expected to have had on other lines?

The traffic agreement with the Great Western Company is, in my opinion, detrimental to the interests of the Grand Trunk, because, under its provisions, the latter has to give away much that is fairly its own, receiving no equivalent therefor. For the traffic between London and Toronto, Detroit and Toronto, and Sarnia and Toronto, we have, of course, to compete with the Great Western--its lines between those points being as short and convenient as the Grand Trunk lines; and to put all the receipts from that business into a common purse, to be divided equally between both Companies, would be fair and equitable. But the traffic to and from places east of Toronto and Detroit, London and Sarnia is in the control of the Grand Trunk, and there can be no good reason shown for our sharing it with the Great Western. I also object to the apportionment of the receipts which are in common under the agreement,--the Great Western receiving three-fifths and the Grand Trunk but two-fifths of what is left after deducting working expenses. The division should be equal, and upon business commencing at or ending in Toronto only.

The effect the agreement has on the traffic which the Grand Trunk might reasonably expect from other lines is wholly to prevent any interchange of traffic (save such as is of purely local character) with the Buffalo and Lake Huron Line, and, through it, with the New York and Erie and New York Central Lines. But for this agreement a very considerable traffic might be carried on between Detroit and Buffalo, and, during the season of navigation, between Sarnia and Buffalo; giving to the Grand Trunk an entirely new business over the whole length of its Detroit section, 60 miles, and over 80 miles of the Canadian portion of the road, from Sarnia to Stratford.

Questions to Mr. Shanly.

176. The late increase of traffic has, of course, brought increased expenses. Do you think that the proportion of Receipts to Expenses has been materially altered thereby?

Comparing the half year ending 31st December, 1859, with that ending 31st December, 1860, Receipts and Expenses show, respectively, as follow :

| | |
|---|-------------|
| Receipts for last six months of 1859..... | \$1,387,200 |
| Expenses (being \$81.21 per cent of earnings) | 1,126,632 |
| Receipts for last six months of 1860..... | \$1,817,575 |
| Expenses (being \$83.4 per cent of earnings) | 1,509,438 |

In the expenses of the latter half year is included the very large sum of \$17,947.90 for damages to property, \$9000 of which were paid for the burning, in the early part of 1860, of a very large quantity of cotton while in transit over the road. Upwards of \$6000 also were paid for damage by fire at Pointe Levi and on the Portland District in 1855: the suits arising out of which, having been appealed, judgments were only finally rendered last year. In working expenses of last half year are also included \$4,889, subsidy paid for working Rivière du Loup section, and \$14,590 paid on account of charter of the Lake Ontario steamers.

It is in the item of maintenance of permanent way, however, that the working expenses of half year ending 31st December, 1860, compare most unfavorably with those of corresponding period of 1859. In 1860 the half yearly expenditure on this item was \$474,142 for 970 miles; and in 1859, \$356,575 for 895 miles: in the former case being \$489.83 per mile, and in the latter \$398.40 per mile for the half year. This large difference is chiefly attributable to the renewals of rails and to the fact of many items, which in previous years used to be charged to capital having been all placed to Revenue Account since June 1860.

177. It is evident that passengers and freight coming over the Road, for a short distance, must pay a higher rate per mile than those going a longer distance, as there are certain charges, as the cost of loading and unloading, and the expense of Station accomodation and attendance, which must be covered, irrespective of the actual mileage. Supposing these fixed expenses, however, to be approximately ascertained and added on to the charge dependent upon mileage alone, the difference between the rate for 200 and 100 miles would be the charge for carrying 100 miles irrespective of the fixed expenses, and for the third hundred miles, there would appear to be required a further addition to the total rate of the same

amount. This is not the principle pursued in fixing your rates. What other considerations are there which govern the proportions between the rates for long and short distances, excluding the consideration of those cases where there is competition on the long distances and not at the intermediate points?

The local passenger tariff is, as nearly as may be, uniform at 2d currency, per mile, over the whole line. The foreign passenger fares vary : because for all business of that kind we have to compete with other and shorter lines between the principal places of business, and therefore our through fares can be no higher than they are over the shortest line of communication. The freight tariffs are not made up at a uniform rate, per mile, all over, the mileage rate diminishing as the distances increase. Small loads, carried short distances, must ever be charged higher in proportion than large loads carried long distances ; and local traffic must always be charged higher, mile for mile, than through traffic, because the expenses attending the former are very much higher than those attending the latter. The greater expenses of doing local business as compared with through are to be found in the smaller amount of useful service performed by the engines : in the expense of maintaining the way Stations, warehouses, &c., with their staff of Agents, Porters, Switchmen, &c., for booking and handling the goods and attending to the shunting of trains. The interest on the first cost of the Stations and their sidings is also to be counted against the way traffic. The lighting fuel and taxes form further and not inconsiderable items in the expense. As regards the effective service performed by the Engines of local Trains, it is, of course, less, mile for mile, than that performed by those of through Trains, which start with a full load, while the Way-Engine frequently sets out with but two or three cars, or sometimes none at all and has to pick up its load as it goes, doing more or less shunting at every Station where a car or two, or perhaps no more than half a car load, may be awaiting it.

Were the through or foreign business of the Grand Trunk wholly abandoned, the only points where important reductions of the fixed staff could be made would be at the Termini and in the Agencies in Boston, Chicago, Cincinnati, &c. And so small would be the total saving thus effected in comparison with the inevitable cost of the fixed establishment that it might almost be said that the whole cost of doing through business in large quantities is in the mere *moving* of it.

As the Grand Trunk is subject to competition as well at intermediate points as at the Termini, the rates charged must always be made with a view to meeting competition, and must vary at different seasons, according to the phases the competition may assume. This necessity for frequent changes of rates and for shaping them to meet circumstances beyond the control of the Company renders it impossible to establish a uniform principle in the compilation of tariffs. The line sets out from Detroit as the competitor of many rivals, at that point. At Sarnia, again, it has another Railway and a great navigation bidding against it, further on, at Stratford, it is tapped by a line connecting with Buffalo, the interests of which are to make Buffalo the market for the whole Huron District. Coming to Guelph we find a Branch of the Great Western Line, competing for the business of the County of Wellington ; and at Toronto two lines of Railway and the Lake have many interest adverse to those of the Grand

Trunk. From Toronto to Montreal and Quebec the whole navigation of the St. Lawrence is in opposition for seven months, in the year, with Steamers tapping us at Port-Hope and Cobourg, in the interest of Oswego ; while opposite to Kingston and Prescott, respectively, are lines of Railway which place those points nearer, in one instance and quite as near in the other to Boston as they are to Portland, over our line. All these things must be kept in view in the making of rates and unavoidably involve certain incongruities in Grand Trunk charges which the tariffs of Railways differently situated do not show.

Questions to Mr. Thorburn.

178. When oil is delivered to Mr. Pomeroy, has it been entered in your Books as in store, and, if not, what check is there upon the amount of oil which passes through Mr. Pomeroy's hands?

Previous to my taking charge of Store Department, oil delivered to Mr. Pomeroy was not entered in Store Books and shewn as being in store, it was entered and charged against Store Department when Invoices were received from the Supplier, generally some time after its receipt by Mr. Pomeroy, and no check, so far as I could ascertain, was adopted by the Department or otherwise, to ascertain that the quantity represented in the Invoices agreed with what was actually received ; I have made arrangements, however, whereby ail such oil is guaged by Mr. Irvine, the person in charge of the Subsidiary Store in Toronto, upon its arrival there, and previous to its being handed over to Mr. Pomeroy for Manufacture ; an arrangement has also been made to have it guaged when delivered to Company's Agent in Boston previous to its departure, and it is upon this latter that payments are paid, any difference being loss whilst under Company's charge.

179. How is the oil delivered to Mr. Pomeroy purchased ?

Mr. Pomeroy, in virtue of an arrangement made some time ago, (before I took charge) purchases this oil himself, this was done, I believe, because of his objecting to the quality of the oil supplied him.

180. What is your opinion as to the quality of the oil as sent in by Mr. Pomeroy, and its value as compared with oil which might be purchased elsewhere ?

The quality of the oil supplied by Mr. Pomeroy, for several months previous to and at the time of my appointment, was very inferior, so much so as to be universally condemned by all Departments on the road ; he has since, however, upon remonstrance being made, furnished a much better article ; even this, at about one dollar, (1,00) per gallon, is scarcely equal to what I can and have obtained from parties in Montreal at seventy-five cents (75 cts.) per gallon. This opinion is the result of actual experiment with the two, it refers more particularly to its illuminating properties ; their respective qualities as lubricators has not formed the subject of any experiment, I would say however that the same relation exists between them in this respect also.

Questions to Mr. De Grassi, Railway Inspector, Toronto.

181. Please state what the present condition of the Grand Trunk road is under the different heads of Rails, Ties, Chairs, Ballasting, Culverts, Bridges ?

Rails. The quantity bad I should judge to range between 33 and 50 per cent of the old rails.

Ties. The quantity bad I estimate at 25 per cent.

Chairs. In consequence of the snow I cannot ascertain quantity but suppose it to be not far from 50 per cent.

Ballasting. Very good throughout the line.

Culverts. Now in fair order.

Bridges. Considering their extent, in very good order.

182. How does it compare in the most important of these heads with other roads in the Province?

Rails. With long lines of railway fair average.

With short " " not good.

Chairs. The quality and size on the Grand Trunk is not good.

Ties. About an average with roads of an equal age.

Ballast. As good as any, and better than most of the Railways.

Culverts. Generally built of better material and in as good order as any.

Bridges. Far superior to any Railway.

The above answers are correct as far as my ability allows me to judge, making also due allowance for the unpropitious season.

183. During your official inspection of the railroad have you noticed any cases of extravagance or mismanagement?

Toronto, 25th March, 1861.

SIR,—I have the honor to enclose herewith the Answers to all the Questions proposed to me on Friday last by the Commission of Enquiry "Into the state of the Grand Trunk Railway of Canada," with the exception of the last, as to whether "I have noticed any cause of extravagance or mismanagement," on which subject I would most respectfully state that as it has never formed, or entered into any part of my official duties, I am loth to volunteer any statement, made from hearsay alone.

I have the honor to be, Sir,

Your obedient servant,

A. DE GRASSI.

THOS. WILY, Esq., Secretary,
Commission of Enquiry,
Grand Trunk Railway of Canada,
Montreal.

Questions to Mr. Shanly.

184. We observe in the accounts a heading "Sarnia Hotel;" are there accommodations there for the travelling public?

There is a certain amount of accommodation, in the way of sleeping apartments, at the Sarnia Hotel for the travelling public, but it is on a limited scale, the two principal bedrooms and what is termed the board room, being reserved for the use of the principal officers of the Company, when they may have occasion to be at Sarnia.

185. Is the Hotel leased or is it maintained by the Company?

Until the end of November last year, the Hotel was maintained by the Company, since then, it has been under lease, the tenant paying for it and for a small room at St. Marys \$800 a year.

Question to Mr. Elliott.

186. We observe in the Books an Account headed, "Canadian Secretary's Drawing Account," which has had \$24,000 at its debit for some years.—Please explain the transaction ?

In the year 1858, this Account was opened with the Bank of Upper Canada, and the sums of \$4,000 and \$20,000 credited thereto, in order that any pressing claims might, from time to time, be paid, without the delay arising from Departmental Routine. Very soon after assuming the duties of my present Office, after consultation with the Managing Director, I determined on doing away with this Account, and its final closing only awaits the adjustment of two or three very minor transactions.

Questions to Mr. McKenzie.

187. Please state the principle upon which premiums are paid and medals granted to Engineers and Firemen for saving in the consumption of Fuel and Oil ?

The principle on which premiums are paid and medals granted is based upon the savings effected in the consumption of wood, oil and tallow, taking into consideration the general efficiency of the men, loads hauled, freedom from accident or mishap to their engines, reports against them, good conduct and length of time men keep engines on the road without requiring heavy repairs.

From my experience, when this principle is not adopted, there is little merit in economical working, and men having nothing to gain but their daily pay, consume and waste considerable quantities more than they otherwise would, while on the other hand it creates a feeling of emulation to vie with each other in keeping down the consumption to as low a figure as practicable and thus obtain the highest reward.

For your information I enclose "a monthly statement of work performed, and wood, oil and tallow consumed, also copy of communication from Mr. Trevithick, the late Loco. Superintendent," * than whom, in all probability, none have had more experience on this particular head.

Medals are granted annually to those men who have been at the head of the List for two consecutive half years.

188. Is this system in your opinion judicious and has it any injurious effect upon the amount of tonnage hauled ?

The system in my opinion is judicious, and I am sure you will readily see from the enclosed, it has no injurious effect upon the amount of Tonnage hauled, this being one of the principle features upon which the premiums are awarded.

Question to Mr. Alfred White, Assistant Chief Clerk, New-York Central Railroad.

189. Will you please inform the Grand Trunk Railway Commissioners what your contract rates are with mills for re-rolling Rails ?

The Rensselaer Iron Works charge a difference of \$25 per ton, we deliver the old rail and take away the new.

* Not thought necessary to publish these.

Question to Mr. A. G. Smith, President Cleveland Rolling Mill Company.

190. What rates do you receive for re-rolling rails per ton delivering the same quantity as received at your mills?

Our price for re-rolling railroad iron per ton, of 2,000 pounds would be proportioning it to our customary ton of 2,240 lbs. twenty-one $\frac{1}{10}$ dollars.

Questions to W. P. Howland, M. P. P.

191. Have you, during the past year, employed the Grand Trunk Railway in the freighting department?

192. What was the nature of your business and what has been your experience generally, as it regards the way in which your business has been transacted, giving dates if possible?

In answer to the questions contained in your favour of the 5th instant, I beg to say in answer to the first, No. 191, that I have employed the Grand Trunk Railway, in the Freighting Department during the past year, and in answer to the 2nd question, No. 192, that my business is that of Manufacturing Flour and general dealer in Flour and Grain, and that I am a Partner in a wholesale Grocery Warehouse. The management of the Road, according to my experience and judgment, has not been satisfactory, nor has been so conducted as to prove conducive to the interests of the Country, or of the Company.

The Tariff of rates for Freight has been unequal and unjust, discriminating in favor of one section, and against others, creating dissatisfaction, and at the same time, in my opinion, producing less net income to the road than would have been obtained by a uniform and equitable Tariff.

Irregularity and unnecessary delay in the transmission of goods for some months past, has been so general that it might be stated rather as the rule than the exception, as instances of which in my own case I may state that about the 15th of January last, I delivered at the Charlton Station, (4 miles west of Toronto,) 200 barrels of flour and obtained a shipping receipt for the same, the flour was consigned upon an order to one of my correspondents at Portland, and was to be delivered at that place.

Although assured that it would be sent forward without unnecessary delay, it was not moved until about ten days ago, and then it was done upon the remonstrance of the owner to the head of the Department.

Another lot of 100 barrels was delivered at the same Station, about the 13th of January, and a shipping receipt obtained for it, this lot was sold to a correspondent in Boston, payable on delivery there. I believe the last mentioned lot is remaining at the station now (8th April). I have advice of its having been there four days since.

I delivered a third lot of 1000 barrels at the same station, which also remained for over six weeks before shipment.

Another lot of 1000 barrels was delivered by me at Weston Station and shipping receipt obtained for it early in February, a portion of this lot remained at the Station last week, the last two lots were sold and the payments therefor made conditional upon the shipment of the flour, and assurance was given that it should be shipped without delay.

My experience having proved that no reliance could be placed upon engagements made on behalf of the Company, in justice to my correspondents, I felt obliged to decline to accept further orders.

I do not give exact dates, not having my books here to refer to, but feel confident that the date given will prove nearly accurate.

193. Is the land, at Sarnia, purchased from Messrs. Gzowski & Co., held by the Grand Trunk Company and has a mortgage thereon been executed by the Company? If not, please state how the accounts in the Ledger to December 31, under the heads of "Sarnia Lands" and "Interest on Mortgage on Sarnia Lands" will be affected?

Answered by Mr. Elliott.

The Grand Trunk Railway Company held no conveyance of the Sarnia Land purchased from Messrs. Gzowski & Co., nor has the Company executed any mortgage thereon. "Sarnia Land" account will be credited with £10,000 advanced on account of the purchase, and also with such further sums as may have been expended out of the Company's funds in the improvement and management of the property. "Interest on Mortgage in Sarnia Lands" will be also credited with any interest charged thereto.

194. Please furnish a copy of the Minute of the London Board of November 15, 1860, referred to in the Journal Entry of December 15, (fol. 816)?

"Resolved--That the Financial Agents of the Province of Canada having advanced already the larger amount, and agreed to advance the remainder, of money required for the withdrawal of the £500,000 six per cent Provincial Bonds on the demand of the Minister of Finance; and as these bonds were loaned to the Company under the instructions of the Hon. John Ross, the Financial Agents be desired to open a separate account for these payments, entitled:--

Loan by the Financial Agents of the Province of Canada to the Grand Trunk Railway Company by the order of the Hon. John Ross, acting on behalf of the Finance Minister of Canada.

but to debit the ordinary loan account of the Company with the interest due and paid on loans made on the security of the above-mentioned Bonds."

NOTE.—The following correspondence from 25 April to 6 June has reference to above answer.

(Copy.)

AUDITOR'S OFFICE,
Quebec, 18th April, 1861.

MY DEAR SIR,—In my examination into the books of the Grand Trunk in fulfilment of my duties as Commissioner, I found an entry headed—"Financial Agents of Canada Loan Account" which I brought under your notice and made the subject of a question to you from the Commission. I have since obtained a copy of the Minute of the London Board upon which the entry was founded, which I now enclose. Independent altogether of its bearing upon the affairs of the Company, this Minute is so important with reference to the Finances of the Province, that I think it my duty immediately to make you acquainted with it, in order that you may take such steps, as you may think necessary, to set at rest any doubt which may exist as to the responsibility of the Province, which is apparently inferred by the Minute in question.

I remain, &c.

(Signed.) JOHN LANGTON.

The Hon. A. T. GALT, Minister of Finance.

(Copy.)

OFFICE OF THE MINISTER OF FINANCE,
Quebec, 25th April, 1861.

Messrs. BARING, Brothers & Co.
Messrs. GLYN, MILLS & Co.
London.

GENTLEMEN,—I have the honor to enclose a communication received from the Auditor of the Province, relative to the terms of an entry in the Books of the Grand Trunk Company, and request that you will be good enough to cause the same to be corrected.

Questions to Mr. R. P. Cook, Engineer, Central Division.

195. What is the condition of the rails in your division?

The original iron is nearly worn out, in four or five years hence there will not be a rail of it left. On some sections where the ballasting has been good, the iron is in better condition; where it is bad either in quantity or quality the iron has suffered very much.

196. What is quality of the iron; is this the principal cause of the rapid wearing out?

I have all along reported that the iron is of bad quality. It is very inferior to the iron on the western section, even with good iron the rails

As the Government has never sanctioned any such transaction as that set forth in the entry, we presume the mistake has arisen in the Grand Trunk Company's Office.

I have the honor to be, Gentlemen, your most obedt. servants,
(Signed.) A. T. GALT, M. of P.

Sir.—We have to acknowledge receipt of your letter of 25th April, with an enclosure from the Auditor of the Province, respecting the terms of an entry in the Books of the Grand Trunk Railway Company. We have accordingly addressed ourselves to the Grand Trunk Company on the subject, and enclose for your information copies of the correspondence, which we trust will be satisfactory to you.

We have the honor to be, Sir, your most obedient servants.

(Signed.) BARING Brothers & Co.
GLYN, MILLS & Co.

The Honble. A. T. GALT,
Minister of Finance of Canada, &c., &c., &c., Quebec.
London, 16th May, 1861.

(Copy)

LONDON, 14th May, 1861.

Sir.—We enclose copies of a letter and enclosure received from the Minister of Finance of Canada, and although we are ourselves aware that the account to which allusion is made, does not represent any claim of the Grand Trunk Railway on the Provincial Government of Canada, we shall be glad to receive a letter from the London Board explanatory of the reasons for opening the account under the title annexed to it.

We remain, Sir, your most obedt. servants.

(Signed.) BARING Brothers & Co.
GLYN, MILLS & Co.

J. M. GRANT, Esq.,
Secretary of the Grand Trunk Railway Company
of Canada, Old Broad St.

(Copy)

OFFICES OF THE GRAND TRUNK RAILWAY COMPANY OF CANADA,
21, Old Broad Street, LONDON, May 14, 1861.
E. C.

GENTLEMEN.—I am desired by the London Directors of the Grand Trunk Railway Company of Canada, to acquaint you that the entry in our Books to which your allude was made for the purpose of distinguishing the various accounts between the Company and Messrs. Baring Brothers and Messrs. Glyn, Mills & Co., but was not intended to imply any claim of this Company against the Provincial Government which I am authorized to state does not exist in regard to this account on the part of the Company against the Provincial Government of Canada.

I have the honor to be, Gentlemen, your most obedt. servant.

(Signed.) JOHN M. GRANT, Secretary.

Messrs. Baring, Brothers & Co.
Messrs. Glyn, Mills & Co.
Financial Agents of the Province of Canada,
London.

(Copy)

FINANCE DEPARTMENT,
Quebec, 5th June, 1861.

Messrs. Baring Brothers & Co.
Messrs. Glyn, Mills & Co.
London.

GENTLEMEN.—I have the honor to acknowledge due receipt of your favour of 16th May, with enclosures, and it is satisfactory to receive your confirmation that the entry referred to in the Grand Trunk Books was not intended to imply any engagement on the part of the Province. The Government are, however, of opinion that the Grand Trunk Company should not have made use of the name of "The Financial Agents" when no transaction whatever took place with your respective Excs in that capacity.

I remain Gentlemen, your obedt. humb. servant.

(Signed.) A. T. GALT, M. of P.

will not last as long on a single track; the rails being constantly driven backwards and forwards loosens the chairs and spikes.

197. What has been the amount of broken rails this winter?

From the 1st December to 16th March a little over 800 rails broken, independent of worn out and dangerous rails, of these 13 were of the new fish plate rails from England and one of the rerolled. The principal part of the breakage has been on the eastern end, upwards of 300 between Montreal and Cornwall; some of the rails have been broken in 12 pieces, the majority break in more than one place.

198. How does this breakage compare with former years?

We had 790 broken during the previous winter.

199. What number of trains have been thrown off?

Mr Shanly has a statement which will give the desired information for this winter. There were a larger number of trains off last winter.

STATEMENT of Casualties to Trains, through breaking of Rails, on Central District, between 1st January and 4th April, 1861.

| Date of Accident. | Number and Character of Train. | Place of Accident. | No. of Cars thrown off and damaged. |
|------------------------|--------------------------------|--------------------|-------------------------------------|
| January 12th | No. 8 Freight Train. | Near Newtonville. | 3 |
| " " | " 10 do. | " Cedars. | 5 |
| February 12th | " 2 do. | " Napanee. | 2 |
| " 15th | " 6 do. | " Newtonville. | 5 |
| " 28th | " 9 do. | " Cornwall. | 1 |
| March 7th | " 7 do. | " Lancaster. | 2 |
| " " | " 1 do. | " Lansdowne. | 2 |
| " " | " 3 do. | " Aultville. | 1 |
| " " | " 3 & 11 do. | " Waterloo. | 12 |
| " 8th | " 7 do. | " R. Beaudette. | 6 |
| " " | " 4 do. | " Pointe Claire. | 4 |
| " " | " 7 do. | " Cobourg. | 3 |
| " 11th | " 8 do. | " Lyn. | 7 |
| " 14th | " 3 do. | " Malloytown. | 3 |
| " 17th | " 5 do. | " Vaudreuil. | 9 |
| " 27th | " 6 do. | " Lancaster. | 6 |
| " 29th | " 12 do. | " Pointe Claire. | 4 |
| " 30th | " 20 do. | " Bath Road. | 3 |
| April 4th | Wood Train. | " St. Ann. | 2 |
| 30 Trains interrupted. | | Total Cars Damaged | 80 |

The even numbers are all up Trains.
The odd down Trains.

W. SHANLY.

200. Is this diminution in consequence of increased watchfulness?

Yes, we have in the bad season night and day watchmen, a watchman for every five miles, besides the regular working gangs. The regular section gang is three men and a foreman, and extra hands when required. During very hard frost we have followed up almost every train either on foot or in hand cars, on the look out for broken rails.

201. What quantity of the fish joint rail have you in the division?

About 31½ miles, of which a little more than one half is of rerolled rail—both kinds were laid last summer; since then, about 32 of the English rails have been removed, of which 13 were actually broken, whilst of the rerolled, there was only one broken.

202. Do you then consider the rerolled rail better than the new English rail?

Yes, they are not as nice-looking, and at first they were not cut square at the end, but they have improved in this respect and they wear most decidedly better.

203. What is the quality of the chairs?

They are wrought iron stamped out of plate with a lip turned up—they do not fit the rail—there are slots in one end of the rail only and these do not correspond with the spike-holes in the chairs, the consequence is that many chairs are broken and the rails displaced—I think that a great deal of the wear of the iron is owing to the bad chairs.

204. What length of new rails do you expect should be relaid next year?

I have applied for 40 miles and that will hardly be enough to cover contingencies.

205. What is the expense of relaying and repairing?

There have been 5100 rails repaired last winter besides those that were cut. The repairing costs about \$8 per ton. The relaying is about \$185 per mile including spikes.

206. Upon what principle do you select the parts of the road for relaying?

It is desirable to lay the new rail in long stretches, as it differs in height, in length and in the kind of chair used; if it were not necessary to provide new iron for repairing the track, I would relay the worst places, as it is, I relay the best, so as to get as much good iron as possible out of the old road for repairs.

207. What is the condition of the ties?

They are beginning to fail, we put in about 55000 last year and have contracted for 60000 this year.

208. What is the organisation of your Division.

I am immediately responsible to the managing Director who acts generally through Mr. Trembicki. I have under me two assistants and an office Clerk. The whole division is divided under 5 Inspectors, besides whom there are also two bridge Inspectors with the necessary gang of mechanics. Each Inspector's district is divided into 5 mile sections, each under a foreman. The Inspectors may hire additional hands if necessary.

209. What are the arrangements for clearing snow?

The division of authority is not very clear, we put on men to shovel the snow, but we have no control over the snow ploughs; they are under the traffic Manager.

210. Is the grading and alignment of your division satisfactory?

No, very much the contrary, and it affects the maintenance of the track injuriously.

211. How do you divide the expenses between Capital and Revenue?

Some work, as new sheds, has been charged to Capital, but as far as my accounts go, all work on the track is charged to Revenue.

Questions to D. Starke, Engineer, Eastern Division.

212. What portion of the line have you supervision of?

My division extends from Montreal to Island Pond and from Richmond to Rivière-du-Loup.

213. What is the general condition of the rails upon your division?

There are many bad rails and I estimate that twelve tons per mile will be required (upon all but the Rivière du Loup section) this season to keep it up. The worst rails are between Montreal and St. Hilaire.

214. What in your opinion is the total length of time, counting from the time they were laid, that the rails in your division will last?

The quality of rails laid on my division would I think last about seven years.

215. How many rails have broken on your division during the past year?

I think up to the present date (2nd April) about 300, nearly all of the bridge pattern; I have about twenty miles of fish rails laid, 5 miles of

English manufacture and 15 of re-rolled, all of which wear very well, none have broken and only two or three failed in consequence of flaws and splits.

216. What is the condition of the chairs?

The chairs are mostly wrought iron plate. There are many bad ones and I estimate that from two to three thousand will be required upon my division this year.

217. What is the present condition of the ties? What wood is used, how many were laid last year, and how many will be required this year?

There were about 100000 laid last year, and there are at present from 60 to 70000 contracted for. The wood used is principally Tamarac and Hemlock.

218. In the Statement of Assets furnished to the Commissioners, is found the following item :

| | | |
|----------------------------------|-------------|-----------|
| Outstanding freight Account..... | \$605119 16 | |
| Less due for Agencies, &c..... | 58936 83 | |
| | | 546182 33 |

| | | |
|--|-------------|-----------|
| But in Mr. Hardman's Statement of outstanding Traffic is found the amount at the Credit..... | \$307945 10 | |
| Less at the debit..... | 126260 11 | |
| | | 181684 96 |

There is a further amount outstanding by Mr. Hardman's Statement of \$386884 06, but with a note that it must be written off by transfer cheques from the Accountant's Department—Please explain the difference?

Answered by Mr. Elliott.

In the list of Assets furnished by the Secretary and Treasurer, the outstanding Freights are stated at..... \$546182 33

| | | |
|--|------------|-------------|
| Add Company's Freight uncertified by the Departments, and Telegraph Revenue, deducted in the above \$546182 33, but still included in the outstandings by Mr. Hardman..... | \$22520 06 | |
| | | \$568702 39 |

Mr. Hardman's Statement shews :

| | |
|---|-------------|
| Outstandings collectible..... | \$307945 10 |
| Deduct, amount payable to other lines.. | 126260 14 |
| | \$181684 96 |

| | | |
|---|-----------|-------------|
| Mr. Hardman also supplies a further amount outstanding (with the note as described in the Enquiry)..... | 386884 06 | |
| | | \$568569 02 |

| | |
|-----------------|-----------|
| Difference..... | \$ 133 37 |
|-----------------|-----------|

Which, it is supposed, will correct itself in Freight Department Accounts in current half year.

Mr. Hardman's Statement, amounting to \$386884 06, is made up of the following Items, opposite to each of which I place the information which I am enabled to give, viz :

| | | |
|---|--------------------|---|
| Canadian and United States Agencies | \$24534 15 | Secretary and Treasurer is now prepared to give a cheque. |
| Bad Debt Account | 11892 62 | Do. do. |
| European Agency Expense Account as returned to Mr. Hardman by London Office.. | 41475 90 | Can give a cheque on Account for \$35526 68, being the amount which appears in London Books. |
| European Draft Account, as returned to do by do | 18081 81 | } There is a Memorandum from the London Office of £12097 6s 5d sterling, or \$58873 63, as received and which is supposed to be on account of these Items, but it appears to be kept separately, and is not credited in the London Books--Until this is done, a cheque cannot be given. |
| European Agency, do by do | 45075 75 | |
| London Office, England | 245830 83 | } This is the Loan by the Provincial Government (through the Financial Agents) on the Security of Postal Monies (with collateral Security on the Second Preference Bonds.) |
| | <u>\$386884 06</u> | |

219. In the Report of the London Directors of October 28, 1860, and in the balance sheet attached to that Report, the amount of Toronto Debentures held by the Company is said to be £47200 sterling, in the Statement of Assets this sum is stated at \$252026 91, or £51786 7s. sterling ; Whence the difference ?

| | |
|---|----------|
| The amount of Toronto Debentures originally held by this Company was | \$400000 |
| Of this amount there was paid off by the Toronto Corporation, and remitted to London by Mr. Thomas Galt | 150000 |

| | |
|--|-----------------|
| The balance | \$250000 |
| Was converted into sterling bonds payable in London. | |
| Less a sum allowed to the Toronto Corporation "for exchanging the Debentures and making principal and interest payable in London," of £7531 5s. cy. or | 30125 |
| | <u>\$219875</u> |

To this amount was added a balance of interest and charges due from the City to the Company in connection with these Bonds, as per Mr. Thomas Galt's statement of account of \$ 9831 67

Making \$229706 67

Or £47200 sterling which amount was converted into sterling bonds, and is acknowledged as being held by the London Office.

220. Has any interest on the Montreal City, Montreal Seminary, or British American Land Company's Debentures fallen into arrear from January to March 31st.

Answered by Mr. Elliott.

In the Montreal City Bonds, the Bank of Upper Canada, who have been in the habit of paying the interest, have been notified from Montreal Office to discontinue doing so—And the March instalment is accordingly in arrear, \$3000. There is also a sum of \$17340 due to the Bank of Upper Canada, which has not yet been brought to charge.

In the Montreal Seminary Bonds \$1000 only was paid out of \$3000, last September instalment, and the March instalment has not been paid. Total amount, \$5000.

In the British American Land Company's Bonds, the September instalment was paid, but the March instalment has not been paid, \$3000.

221. Has any payment on account of the Atlantic and St. Lawrence lease fallen into arrear from January to March 31st.

No payment on this account has fallen into arrear in Canada.

The London Office are not paying instalments of Atlantic rent due in London.

The rent on 5891 Federal Shares of the Atlantic and St. Lawrence Railroad Company, due 31st December, 1860, and amounting at \$3 per share to \$17673 remains unpaid.

NOTE.—There is a debit on the books of \$23179 92 against the Atlantic Company, which might have been included as an asset, it was made by the late Accountant chiefly.

Question No. 222.

Quebec, April 8th 1861.

My Dear Sir,

I perceive in my examination into the books of the Grand Trunk Railway, that in November last a new loan account was opened under the title of "Financial Agents of Canada," for £500,000 sterling. As no such account with the Financial Agents appears in the books of the Province, may I request that you will inform me whether you are aware of any arrangement with them authorizing it.

I remain yours Sincerely,

JOHN LANGTON.

Honorable A. T. GALT,
Minister of Finance.

Office of the Minister of Finance,

Quebec, 9th April, 1861.

My Dear Sir,

In reply to your letter of 8th instant, stating that in the Books of the Grand Trunk Company, a new loan account appears as opened in November last, under the title of "Financial Agents of Canada," for £500,000 sterling, and enquiring whether I am aware of any such transaction, I beg to state that no such loan has either been made or authorized by the Government.

I remain yours very truly,

A. T. GALT.

JOHN LANGTON, Esquire,
Chairman, G. T. R. Commission.

Question to Mr. Hardman.

223. Please state the proportion between the freight upwards and downwards?

Statement shewing movement of Freight East and West, in Tons, for year ending 30th June 1860.

| | Local. | Foreign. | Total. |
|-------------|----------|----------|----------------|
| Moving East | 358,588½ | 54,485½ | 413,074 |
| Moving West | 170,697 | 39,200¼ | 209,897¼ |
| | | | Tons. 622,971¼ |

J. HARDMAN, Auditor.

Audit Office,
Montreal, April 9th 1861.

| | Tons. |
|--------------------------------------|---------|
| From And & Ken. Ry. moving East..... | 23,102½ |
| To And & Ken. Ry. Moving West..... | 29,780¼ |

Questions to Mr. Mackenzie.

224. We observe that the locomotive expenses in 1860 have increased about 40 per cent. over those of 1859. Can you assign any reason for this large increase?

The locomotive expenses have increased about 36 per cent. which is accounted for as follows: the mileage run has increased 35 per cent., and in 1859, our freight train, over passenger train mileage was only 15 per cent., whilst in 1860 it was 60 per cent.

225. Please furnish a statement to March 31st or to as late a date as possible, of the number of locomotives and cars of all classes undergoing or awaiting repairs.

RETURN of Engines and Cars waiting and Undergoing repairs, 6th April, 1861.

| DESCRIPTION. | Waiting repairs. | Undergoing repairs. |
|--------------------------|------------------|---------------------|
| | No. | No. |
| Passenger Engines..... | 7 | 11 |
| Freight do | 6 | 20 |
| First Class..... | 5 | 7 |
| Second do | 9 | 2 |
| Baggage..... | 1 | 3 |
| do and Post Office | 1 | 1 |
| Box..... | 85 | 23 |
| Platform..... | 135 | 25 |
| Cattle | 7 | ..... |
| Brake-vans..... | ..... | 3 |
| Ballast..... | 24 | ..... |
| Snow ploughs | 3 | 4 |

Questions to the Honorable John Ross, President Grand Trunk Railway.

226. What are your duties as President of the Grand Trunk Railway?

I preside at all Board meetings, and have been since the organisation of the Company chiefly occupied in negotiations for the relief of the Company when in financial difficulties. The head quarters of the Company being at Montreal, I have never been able to devote myself from day to day to the business of the Company, either as a member of the Executive Committee, or in any way directing the business of the office at Montreal, or directing or controlling the general management. During a considerable portion of the year I have been absent in England, on the business of the Company from year to year, with the exception of the year 1854.

227. What are the respective duties of the London Board and Canadian Directors?

The London Board and the Canadian are in fact one body of Directors, and under the Company's charter form but one board. There are five in London, viz. Mr. Baring, Chairman of the London Board, Mr. Glyn, Mr. Hodgson, Mr. Blake and Mr. William Chapman. The members of the Board in Canada, are Mr. Blackwell, Mr. Crawford, Mr. Ferrier, Mr. Beattie, Sir E. P. Taché, Major Campbell, Mr. Ridout, Mr. Cayley and myself. There is a vacancy caused by the death of Mr. McGill, which has not been filled up. The powers of the Board are defined by the Companies Charter.

It has been the practice of the Canada Board to refer to the London Board every matter of importance connected with the Company's affairs, and since Mr. Blackwell's arrival in the country, its affairs have been practically controlled by the London Board in conjunction with Mr. Blackwell. Whenever the Canada Board have taken action upon any matter which the London Board has objected to, the Canada Board has at once annulled its action and has withdrawn the resolution authorizing it. Of the proxies of the English Board, Mr. Blackwell holds three and I hold two. At the general meeting of the shareholders the proxies come out to myself and Mr. Blackwell.

228. The Canadian Directors then have acted as a Board of advice rather than as asserting and exercising the power of complete control in the administration and management of the Company's affairs ?

Yes, that has been their real position, especially since Mr. Blackwell's appointment in 1857, to represent in this Country the English interests in the line. The Canadian Directors have felt all along, that the Shares and Bonds of the Company, being chiefly held in England, it was their duty to support the policy and views of the representative of those interests.

229. By whom are the appointments made ; we refer to the Chief Officers of the Company as well as to the employés ?

When the Company was organised in 1853, Mr. B. Holmes, of Montreal was, upon my own recommendation and that of Mr. Galt, appointed Vice President of the Company, with the understanding that he was to take charge of the office, and superintend the accounts and disbursements of moneys. Mr. Bidder, on the advice of Mr. Glyn, was appointed General Manager, and came over from England in 1853 to attend to that department. Mr. Hardman came from England at the same time as Auditor, as also his chief clerk. Mr. Pennington came out at the same time as superintendent of freight, and Mr. McKenzie as Locomotive Superintendent. Mr. Fondrinier also came from England, about the same time, and became Store-keeper. All of whom were brought out by Mr. Bidder as a part of his necessary staff. I am not certain whether Mr. Fondrinier was at the head of the Store Department from the first, but he subsequently became so. Mr. Trevithick came out, I think, in 1855, or 56, as Locomotive Superintendent, Mr. McKenzie, remaining under him as assistant, and on Mr. Trevithick's return to England in 1858, Mr. McKenzie again became the chief of the Locomotive Department. Mr. Bidder left the service of the Company at the close of 1857, and Mr. Blackwell, in that year, came out from England as Managing Director of the Company, and in the month of October, 1857, assumed the duties of Vice President, at which time Mr. Holmes retired. Mr. Shanly was in the beginning of 1858 appointed General Manager and Engineer of the line. Mr. Blackwell afterwards went to England, and with the concurrence of the London Board engaged Mr. Reith as General Manager in the room of Mr. Shanly ; Mr. Shanly refused to continue in the employment of the Company as its Engineer and retired. Mr. Reith, in consequence of a disagreement with Mr. Blackwell and the Directors in Canada retired from the office of General Manager, and Mr. Shanly was reappoin-

ted as General Manager, but not as Engineer, Mr. Blackwell retaining the engineering in his own charge; Mr. Trembicki who came out from England with Mr. Blackwell in 1857, being appointed to control the engineering as Mr. Blackwell's assistant and at his request.

With regard to Mr. Shanley he was the engineer of the Toronto, Guelph and Sarnia line, now forming the Western Division of the Grand Trunk, and on the amalgamation of that line with the Grand Trunk Company, Mr. Shanly remained as Assistant Engineer of the Company in charge of the same work, under Mr. A. M. Ross, Chief Engineer of the Company. Before the amalgamation Mr. A. M. Ross, at the first Board meeting, held at Quebec, in the autumn of 1852, was appointed Engineer of the Grand Trunk Railway proper, extending from Montreal to Toronto, and Mr. Samuel Keefer was named his assistant, Mr. Davies, the late Book-keeper, was appointed at the same time.

As far as regards the appointment of the employés, I embrace under that term the clerks in the office at Montreal, as well as in all the other departments of the Company's service, all superintendents, station masters, conductors, mechanics and labourers, all of whom, with the exception of Mr. Smith, one of the accountants in the office at Montreal, were appointed by Mr. Bidder and Mr. Holmes in the first instance, and by Mr. Blackwell and Mr. Shanly, afterwards. With regard to all others whenever I have been applied to I have sent in the names of the applicants to Mr. Bidder, with the request that he would select those whom he thought best qualified, and I have pursued the same course with Mr. Shanly and Mr. Blackwell. There has been no political influence of any kind permitted to be used with regard to any appointment, nor have the interests of the Company been guided by or rendered subservient to political influences of any kind.

With the exception of Mr. Smith, therefore there is no employé of the Company in whose appointment I have had any hand.

230. What are your emoluments as President of the Company?

I served the Company as President from 1852, to 1857, without any emolument. Since July or October 1857, I have been paid at the rate of £1000 sterling a year.

231. Do you derive any professional emoluments from the Company?

None whatever.

I may state that I dissolved partnership with Mr. John Bell, in November 1852, before he was appointed Solicitor, and have had no business connection with him since. He was appointed Solicitor to the amalgamated line in April 1853. We dissolved partnership in November 1852, and I have not received from the Company any payment for professional services connected with the Company.

232. Do you think that the present organisation of the Company works well, and can you suggest any alterations which would render the management more efficient?

I do not think that it does. I think that the Engineering Department, Locomotive and Car Department, the Audit Department, and Fuel and Store Department, should be all within the control of the General Manager.

You may embrace all these under the three principal heads of Traffic, Locomotive and Engineering, into which the working staff of the line is divided and the General Manager informs me that there is not that unanimity of action which should exist and which would exist if these departments were all responsible to one managing power. It is, in my opinion, beyond the power and strength of any man to exercise full power and control over these important Departments, and at the same time manage the Office, the Accounts, disbursement of moneys and the financial affairs of the Company generally. The Vice-President, Mr. Blackwell, has tried it and his health has completely broken down under the weight of labor and anxiety that have been thus thrown upon him. I desire here to say, with respect to Mr. Blackwell, that I do not think he has had fair play in the position he has occupied as the Managing Director of the Company since his appointment in 1857. The duties which he undertook required his whole time and his undivided attention, and yet he has been withdrawn for months together from his position, and has been obliged to proceed to London to confer with the Directors on matters of the most vital importance to the Company. The constant succession of financial embarrassments and difficulties of the Company, have rendered this absence absolutely unavoidable, and the consequence has been that Mr. Blackwell has often been interrupted in administrative changes and improvements, and has been prevented from carrying them to completion. Mr. Shanley also has labored under every disadvantage since he assumed the duties of General Manager. The Company strained every nerve to complete the Victoria Bridge, and about that time its securities became unsaleable, and the Directors were unable to raise money to construct additional sidings and Station accommodation, and to furnish the additional Rolling Stock which the increasing Traffic of the line shewed to be necessary. Elevators too were needed at leading points such as Toronto, Kingston, Montreal, Quebec, Portland, &c., and the want of means alone has prevented the Directors from providing all these for the line, and aiding the General Manager in the efficient working of his Department. The shattered state of Mr. Blackwell's health will, I fear, prevent him from resuming all the duties he has hitherto discharged, and Mr. Shanley has expressed a wish to leave the service of the Company; a reorganization would thereupon become necessary, and I think the arrangement of the management of the Great Western Railway of Canada is one of the best with which I am acquainted, and it is such an organization as I think might with great advantage be introduced into the Grand Trunk management. The Vice President of the Grand Trunk might become the financial director of the Company, with duties similar to those discharged by Mr. Reynolds in the Great Western, and the General Manager would be also the Managing Director of the Company with a seat at the Board and

clothed with powers as full as those exercised by Mr. Brydges, who is the General Manager and Managing Director of the Great Western Railway. Every thing connected with the management of the line, its traffic engineering and working is subordinate to and under the control of Mr. Brydges. It is the *one man power*, in fact which all railways to be worked successfully must concentrate in their General Manager of traffic whoever he may be.

233. Have the Canadian Directors interfered in the method of charging any of the expenditure in the accounts ?

They have not, and I am sure there is no desire on the part of the Board, either in England or in Canada, to direct entries to be made under heads to which they do not properly belong, or to direct entries in any way calculated to mislead. The Auditors of the Company have from the first had the freest access to the books and could at any time have corrected entries erroneously made.

Question to Mr. Robert Pomeroy.

234. What is the organisation of the Company in Toronto for manufacturing Mason's Sperm Oil. Please state your connection with it, and the arrangement with the Grand Trunk Company, from the first ?

The Grand Trunk Company had conceived the idea of erecting works in Canada for manufacturing Mason's Sperm Oil for the use of their Railway. The secret and right to manufacture said oil was held by the Inventor, and his associates, friends of mine, in the United States, under letters patent. They were willing to sell their rights for the Province of Canada for the sum of Ten thousand dollars. It resulted in my purchasing the exclusive right to the secret for the Province, and in my arranging with the Grand Trunk Railway Company, that upon their paying me the sum of Five thousand dollars toward the purchase of the above secret, and the price per gallon as named in my contract, I would establish the works on the line of their road at Toronto, on the premises owned by them, and put through Mason's process all the oil required by the Company and delivered at the works by them. The buildings used for manufacturing purposes are upon lands owned by the Grand Trunk Company, and they were in a dilapidated condition. I fitted them up at my own cost and expense, and pay for them a nominal rent as arranged, which, together with the contract rate for manufacturing the oil, is all I have ever received, and is all I am to receive from the Company.

I may state that at the commencement of my operations I urged Mr. Gzowski to take part in it ; he was unwilling to do so, but did advance means to assist putting the works in operation. No partnership was even formed and the funds have been repaid him, and I am now alone in the oil business, no other party being in any way connected with it as partner or proprietor.

235. Can you state what comparison the oil manufactured by you bears to oils manufactured by other parties as to quality and price ?

The Grand Trunk Company contract to furnish the crude material for manufacturing, and the article made will be good or otherwise in proportion to the stock furnished. In regard to the price for Mason's Sperm Oil, of good quality, at the Manhattan works, New York—

| | | |
|------------------|----------|-------------|
| No. 1..... | \$1. 12½ | per gallon. |
| Extra..... | 1. 25 | “ “ |
| Head light | 1. 50 | “ “ |
| Car | 95 | “ “ |

The cost to the Grand Trunk Company for the oil furnished by me, exclusive of the freight, has been 95 $\frac{1}{4}$ cents per gallon, for two years ending with December, 1860.

Our oils are as good as any manufactured by Mason's process.

236. When the carriage of the Company's property, or property for its use is credited to "Merchandise charges," and "Locomotive charges," how are the rates calculated, at the merc estimated costs of moving, or at ordinary rates?

Answered by Mr. Shanly.

We have a fixed mileage rate with "Engineer" and "Locomotive" Departments, at which we carry all Company's Stores, &c.

| | |
|---|-------------|
| 237. The total loss on the Lake Steamers is given in a Statement furnished us as..... | 75,270 00 |
| one half of which was..... | 37,639 50 |
| There has been charged in Revenue Account to December 31st..... | \$14,590 00 |
| and in Revenue Suspense Account..... | 3,815 00 |
| | 18,405 00 |

How is the remainder of \$19,234 50 charged?

Answered by Mr. Elliott.

| | |
|--|-------------|
| Mr. Shanly states amount in all due on Steamers Account to be..... | \$70,709 62 |
| one half of which is..... | \$35,354 81 |
| on account of which was paid at 31st Dec., 1860..... | 14,590 00 |

The balance will appear in the current accounts of the Company. The sum of \$3815 00 was a private draft erroneously entered in Bills payable, and thus brought to charge; but the amount was never paid, and the entry is reversed in the current half year.

N. B.—The difference between the gross loss of \$75,270, as stated in the question, and \$70,709 62, consists of certain earnings, such as rents of saloons, &c., which were carried by the Hon. John Hamilton, direct to credit of profit and loss on the Accounts.

238. Please state the balance of Outstanding Traffic Accounts to December (exclusive of what is to be covered by Cheques of the Company,) which was still outstanding on March 31 ?

Answered by Mr. Hardman.

The amount of Traffic Outstandings to 31st December, 1860, owing to the Company, on the 31st of March, 1861, as nearly as can be ascertained, (the books of the Company not having been posted up to that date) was..... \$31,000
The amount due by the Company was..... 3,000

Questions to Mr. Elliott.

239. Please state the Cash on hand, March 31, 1861 ?

The sum at Cr. of the Company was \$115,372 84, (in fact the balance of Cash Book.)

240. We observe in the books that a bonus of \$7000 00 was paid to Mr. Pomeroy by Mr. Blackwell. The Contract only provides for a bonus of \$5000 00. Is there any authority for the payment of the additional \$2000 00 ?

The charge of \$7000 00 is erroneous, it should have been only \$5000 00 ; the additional \$2000 00 was on another party's account, and was repaid to Mr. Blackwell ; who, under pressure of business, accidentally omitted to arrange the matter with the Company. The overcharge is now removed, being debited to Mr. Blackwell, and he will doubtless settle it on his return to Montreal.

Questions to Mr. Freer, one of the late Lessees of the Rivière du Loup Section.

241. What rates did you charge for passengers and freight on the Rivière du Loup Section whilst it was in your hands ?

We charged an uniform rate of 1½ cent per mile for 1st class and 1 cent per mile for 2nd class passengers, commencing at a minimum rate of 15 and 10 cents. For freight the rates varied upon almost every article—we charged whatever the business would bear. We had a Tarif, but we deviated from it according to circumstances, making special bargains with most of our customers.

242. How did your rates compare with those which had been charged by the Grand Trunk ? And how did your traffic compare with what they had had ?

Our passenger rates were about one half those of the Grand Trunk. It is not easy to shew the effect this had upon the traffic as the road was opened beyond St. Thomas, whilst in our hands, first to St. Pesehal and afterwards to Rivière du Loup. The traffic increased considerably to St. Thomas, and we are satisfied that the policy of low fares was successful.

243. Do you then think it would be the true policy of the Grand Trunk to lower their rates ?

The Grand Trunk might obtain a large local business if the hours were made to suit the farmers, and that a considerable reduction were made in the rates—as a large number of the farmers now bring their produce in their own conveyances to St. Nicholas and Echemin, and take it thence to Quebec in the small Ferry Steamers.

244. Are you aware that any reduction was made in the rates on the Quebec and Richmond line last fall, and if so that any increase in traffic resulted from it.

I understood that the passenger rates were reduced about 25 per cent, and believe the traffic increased somewhat on account of that reduction. At one Station Becancour the Agent has informed me that, since the reduction, upon comparing the receipts with the corresponding months of the previous year, the increase has amounted to over 60 per cent.

245. Do you think that by good management the Rivière du Loup Section can be made remunerative ?

Judging from the business of last year I think that if worked very economically and with a mild winter similar to that of 1859-60 the road might be made to pay expenses, but not more at present. There is one thing necessary towards working that Section successfully and the same remark applies to the Quebec and Richmond Section, viz: that all conductors and employees, both in the cars and at the stations, should be able to speak both French and English fluently. This has not hitherto been sufficiently attended to.

246. Under what arrangements is the Rivière du Loup Section now worked ?

The Company have assumed the working of the line since December 15, 1860, and continued the same rates and staff. We anticipate a considerable increase of business in the summer.

247. What trains are run on the road now ?

A mixed train is run daily both ways. This will be the arrangement till June, when there will be a mail train daily both ways, and a mixed train three times a week each way.

248. Do the local passengers take much freight with them ?

The 1st class passengers generally bring supplies back from Quebec. The 2nd class passengers are generally farmers, who take produce up to Quebec and come back as passengers merely. We take every thing as freight up to the last moment of the cars starting. The merchants along the line were at first afraid that our passengers would get their supplies at

Quebec and injure their business ; but they are now satisfied that this has not been the result. The store-keepers have been obliged indeed to lower their prices, but not to the same extent as their expenses have been reduced. Instead of buying a six months' supply at a time on credit, they now get their goods down from Quebec for cash as they want them, and can afford to sell to the farmers cheaper than they can supply themselves at Quebec.

249. Do you think that it is the true policy of the road in this part of the country, at least, to encourage local business ?

I believe that if the local business were more attended to it would pay very well ; but it would require great attention to details in order to afford every accommodation to the population. One great advantage as far as economy in working is concerned is that inasmuch through business must as a general rule be carried by faster trains, slow trains will be sufficient for the local business ; and as all the other expenses of working the line are trifling in comparison with the repairs of locomotives and maintenance of the track, the speed will tell very much upon the profits. Last year, in consequence of the hour at which we left Chaudière junction, we were obliged to run very fast in order to reach Rivière du Loup by day-light, and we felt the effect of it very sensibly in repairs.

Question to Mr. Symons, Station Agent and Freight Master, Grand Trunk Railway, Point Levi.

250. Do you receive freight if brought by passengers up to the last moment of the departure of trains ?

We as a rule receive freight only up to within an half an hour of the time a train should start. Passengers can however take freight with them provided it is not of a too bulky a character, up to the very last moment by booking it as extra baggage at freight rates. At the way Stations the rule is to receive all freight that offers up to the very last moment. In the fall of the year and during the winter season the farmers on the line of the road, particularly from the Craig Road Station avail themselves to a considerable extent of the facilities afforded them by the Railway for the conveyance of their Farm produce to Quebec. I believe that the local business would largely increase if rates were lower, and have frequently advocated this policy.

APPENDIX.

2

A P P E N D I X I .

To His Excellency the Right Honorable SIR EDMUND WALKER HEAD,
Baronet, Governor General, in Council, &c., &c., &c.

The Memorial of the undersigned, The Grand Trunk Railway Company of
Canada--

HUMBLY SHEWETH,

That the whole of the Company's Works from Rivière-du-Loup to Sarnia, including the Victoria Bridge, have been completed, and that the line throughout, between the points above named, is now open for Traffic, and safely and efficiently worked from day to day in accordance with the requirements of the relief Acts of 1856 and 1857.

That in order to secure the completion of their works and the provision of sufficient equipment and Rolling Stock, the Company has been obliged to incur a large floating debt exceeding £1,500,000 which sum was authorized to be raised by the Shareholders of the Company at their last Meeting, for the purpose of paying off the liabilities of the Company and providing the additional Rolling Stock required as above indicated.

That the attempt to raise the said sum of £1,500,000 has hitherto wholly failed, and the consequence has been that the Company is now wholly unable to meet its engagements, and those to whom it stands indebted are taking such steps to enforce payment of their claims as must inevitably lead to the stoppage of the Line, unless means can be found to avert a calamity which will affect the interest of the several Shareholders and Bondholders as well as the whole Province, and the Directors consider that a decision upon this most vital question cannot be postponed beyond the beginning of the month of October next.

The Directors of the Company are, however, unwilling to permit such a crisis in the affairs of the Company to arise without asking the attentive consideration of the Government. They believe that the improved Traffic of the Company will, before many months, materially improve its credit, that the abundant harvest throughout the Western States and Upper Canada cannot fail to shew that the enterprize must prove ere long remunerating and that its receipts during the next twelve months will exhibit a surplus over and above its working expenditure sufficient to meet the interest on its proposed new Loan, as well as upon the preferential and ordinary Bonds, and the Directors hope that the surplus receipts, within a moderate period, may also yield a Dividend on the Share Capital of the Company in addition to the payment of interest on its bonded debt.

In the meantime however the Directors cannot conceal from the Government or from themselves the imminent danger which threatens the Company and the certainty of the Line being closed, unless some mode can be devised for raising money upon its weekly receipts to pay off its floating debt.

The whole of which is respectfully submitted.

THOS. E. BLACKWELL, V. P.,
Managing Director.

Quebec, August 8th, 1860.

SECRETARY'S OFFICE,

Quebec, 11th October, 1860.

SIR,

His Excellency the Governor General having taken into consideration the memorial of the Grand Trunk Railway Company, transmitted by you, on the 8th of August last, in connexion with the proceedings which appear to have been taken against the Company since that date, I am commanded by His Excellency to request that you will furnish as soon as possible for the information of the Government, a full Statement of the financial position of the Company, comprising a Schedule of its liabilities and assets, a Statement of the total expenditure, showing how the same has been provided and expended, and of the Traffic receipts and working expenditure of the line for each six months, since the incorporation of the amalgamated Grand Trunk Company, showing also the weekly rates per mile, together with such other information, and full details as will enable the Government to have a complete knowledge of the present position of the affairs of the Company, both here and in England.

I have the honor to be,

Sir,

Your obedient servant,

CHARLES ALLEYN, Secretary.

T. E. BLACKWELL, Esq.,
Vice-President,
Grand Trunk Railway Company, Montreal.

THE GRAND TRUNK RAILWAY COMPANY OF CANADA,

Secretary's Office, Montreal, 14th November, 1860.

SIR,

I have the honor to acknowledge your letter of the 11th ultimo, addressed to the Vice-President of this Company, conveying His Excellency The Governor General's Commands that certain statements should be furnished, for the information of the government; and in accordance therewith, I now beg to enclose:

- 1st. Statement of Subscribed Capital, &c. to 31st July, 1860.
- 2nd. Do of Expenditure, to do.
- 3rd. Half yearly Traffic Receipts and Working Expenditure, to 30th June, 1860, with weekly rates of Receipts and Expenditure per mile.
- 4th. Summary of Liabilities in Canada, at 8th November, 1860.
- 5th. Liabilities in England, per Report of London Directors, dated 26th October, 1860, a printed copy of which is also enclosed.

I have the honor to be, Sir,

Your most obedient Servant,

JOSEPH ELLIOTT,

Secr. and Treasurer.

Honorable C. ALLEYN, M. P. P.,
Provincial Secretary, &c., &c.
Quebec.

(As all the information contained in these statements has been obtained by the Commissioners to a later date, it has been thought unnecessary to publish them here.)

To His Excellency the Right Honorable Sir EDMUND WALKER HEAD, Baronet, one of Her Majesty's Most Honorable Privy Council, Governor General of British North America and Captain General and Governor in Chief in and over the Provinces of Canada, Nova Scotia, New Brunswick and the Island of Prince Edward, and Vice Admiral of the same, &c., &c., &c.

The Memorial of Henry Cleaver Chapman, of the City of Liverpool, in England, Esquire,

RESPECTFULLY SHEWETH:

That your Memorialist was a shareholder in the Quebec and Richmond Railway Company, which was, subsequently to his being such shareholder, amalgamated with the Grand Trunk Railway Company of Canada.

That upon the amalgamation of the Grand Trunk Railway Company with the Quebec and Richmond Railway Company, the former undertook to pay interest, at the rate of six per centum per annum, on the Quebec and Richmond shares and bonds, until the Grand Trunk Railway and the Victoria Bridge should be completed.

That your Memorialist is also a holder of Grand Trunk bonds, the payment of interest on which has been suspended until certain propositions emanating from the London Directors have been submitted and replied to by the Canadian Board of Directors.

That your Memorialist, as a shareholder in the Grand Trunk Railway Company, has reason to complain of the management of the affairs of the Company.

That the line of railway to the River du Loup was not finished or opened for traffic until the second day of July of this year, whereas the shareholders in England were given to understand that it was completed simultaneously with the Victoria Bridge.

That, in the opinion of your Memorialist, illegal and ruinous agreements have been entered into by the managers of the Company with the Great Western Railway and the Kingston Royal Mail and Steam Ship Company.

That your Memorialist, on the twenty-fourth day of July last, addressed and sent the following letter to Mr. Blackwell, Managing Director :

“ Montreal, 24th July, 1860.

“ MY DEAR SIR,--I heard accidentally yesterday from your private Secretary, Mr. Hester, that you had returned from New York ; not having received any reply to my letters from Quebec, I was not aware of your movements. The crisis in Grand Trunk affairs at home made me anxious to hasten to Montreal, as Mr. Glyn had expressed a hope that I would assist you with my advice and support in your trying position, and my brother earnestly joins in this request. I need scarcely assure you that I am fully prepared to do so and to report on our present position, tracing effects to causes which can be easily removed. I fully appreciate the mortification Messrs. Baring & Glyn must experience, when the wide spread ruin and misery of widows and orphans is considered, who had invested in bonds on the faith of the prestige of the name of Baring. I feel satisfied that under a different system of management the Grand Trunk, when completed at the termini and efficiently stocked with plant, will pay interest on bonds and also on shares, and that it is a perfectly sound undertaking if managed purely as a commercial carrying Company. With respect to the present, I apprehend that the Directors will do in public matters precisely what they would do in private life, under similar circumstances, and at once announce that the financial position of the Grand Trunk compels the Directors to withdraw from all demonstrations on the arrival of the Prince of Wales which will involve pecuniary outlay. Such

a declaration would be well received in England and be applauded in this country as a step in the right direction towards the recognition of a healthy administration; the stake which my friends and myself hold in the Grand Trunk is sufficient to justify, if it should be necessary, a protest on their behalf against spending their money in feasting which, I am sure, would, under the circumstances, be distasteful to His Royal Highness. I shall be ready to discuss matters with you at your leisure. I am satisfied your through rates to and from the States are ruinous and that your local rates are as absurdly high and prohibitory."

That you Memorialist has received no answer to the foregoing letter.

That subsequently, on the thirtieth day of July last, your Memorialist addressed the following letter to the Honorable John Ross, at Toronto.

" Montreal, 30th July, 1860.

" My dear Sir,

" I had hoped to have seen you at Montreal, *en route* to Toronto, to have discussed the condition of Grand Trunk affairs. The London Directors have issued a circular calling on the Bondholders for forbearance until proposals which have been made to the Canada Board have been replied to. I have no idea of the nature of the proposals, I can only infer that pecuniary aid is again sought. For my own part I have come to the conclusion that unless the whole system of management is reconstructed, the Grand Trunk will be only more deeply involved. The letters received from England imperatively call upon those who are, themselves, interested either personally or on behalf of relations to act with truthful firmness. My reports have gone home to the Liverpool Shareholders. The question that will be asked will be, has Mr. Baring been deceived and by whom has he been deceived? I have seen enough to satisfy me that he not only has been deceived but deluded into reposing apparently unlimited confidence in an administrator whose inexperience and want of practical knowledge, I have no hesitation in saying are patent to all men of business in Canada. For my own part I have been so astounded by Mr. Blackwell's tergiversations that I cannot place any faith in this immaculate conception of Mr. Baring. Mr. Bidder, some two years ago, volunteered a statement that Mr. Blackwell had given Mr. Baring to understand that Mr. Galt intended, on your behalf, to present a claim of ten thousand pounds for your services to the Grand Trunk and that Mr. Galt indignantly denied it—it struck me at the time as singular that Mr. Blackwell should have made the same representation to me previously and took credit for stopping the affair, what is the real fact? I am satisfied that the Shareholders will insist on nominating, in future, the Directors in Canada, as, had there been any practical merchants on the direction, it seems impossible that you would have sanctioned either the Great Western or Steamboat agreement. If you call a full Board Meeting, I will, if invited, attend and repeat the opinions I have expressed in my reports."

That to this letter also your Memorialist has not received any answer

That your Memorialist has been given to understand and has reason to believe, that an application is about being made to the Executive Government of this Province for further Provincial Government pecuniary aid to the Grand Trunk Railway Company.

That your Memorialist has inspected the Grand Trunk Railway from Quebec to Portland, from Detroit to Sarnia and down to Montreal and Quebec, the result of which is, in his conviction, that the management in Canada is not such as will warrant the Shareholders in continuing their confidence in the present managing director, and that nothing short of an entire reconstruction of the system of management can retrieve the financial position of the Company.

Wherefore your Memorialist humbly prays that your Excellency will cause an enquiry to be made, through a Committee of Stockholders, into the past and present management of the affairs of the Company and that, in the meantime, any further appropriation of the funds of the Province to their use be suspended.

And your Memorialist will ever pray.

HENRY CLEAVER CHAPMAN.

Quebec, 26th August, 1860.

APPENDIX II.

THIS INDENTURE made the 11th day of October, in the year of our Lord one thousand eight hundred and sixty, between The Chicago, Detroit and Canada Grand Trunk Junction Railroad Company, (hereinafter styled The Chicago Company, of the first part, and the Grand Trunk Railway Company of Canada, hereinafter styled The Grand Trunk Company, of the second part, and Casimir Stanislaus Gzowski, of the City of Toronto, and Thomas Galt, of the same place, Esquire, of the third part; Whereas an agreement, bearing date the fifth day of July, one thousand eight hundred and sixty, was entered into between the parties hereto, for a Lease from the party of the first part to the party of the second part of the Railway of the party of the first part, on the terms in said agreement contained; And whereas, by an Act of the Legislature of the Province of Canada, passed in the twenty-second year of Her Majesty's Reign, intituled: "An Act to amend the Acts relating to the Grand Trunk Railway Company of Canada," whereby it is among other things enacted as follows: "It shall be lawful for the Company, with the consent of two thirds of the votes of the proprietors, voting in person or by proxy, at any General Meeting convened with the notice of the intended object, to accept a lease of the undertaking or of part of the undertaking of any other company that may be or now is formed, for the purpose of constructing a Railway in the State of Michigan, from or near Port Huron to Detroit, for such term, at such rent and upon such conditions as may be agreed upon;" And whereas the Railway of the party of the first part is connected by a Steam Ferry with the Railway of the party of the second part at or near Port Huron, in the State of Michigan, and is a Railway in the State of Michigan from or near Port Huron to Detroit—

NOW THIS INDENTURE WITNESSETH that the party of the first part, for and in consideration of the rent hereinafter reserved and of the covenants, stipulations and agreements, on the part of the Grand Trunk Railway Company of Canada to be observed, performed, fulfilled and kept, have demised and leased, and by these presents do demise and lease to the Grand Trunk Railway Company of Canada—

ALL and singular the Railway of the party of the first part, and all the lands, tenements, hereditaments and premises belonging to the party of the first part, situate, lying and being in the Counties of Wayne, Macomb and St. Clair, in the State of Michigan, on and over which the said Line of Railway has been constructed—together with all buildings and structures of or belonging to the party of the first part;

To have and to hold the same to the party of the second part and their successors, for and during and until the full end and term of nine hundred and ninety-nine years, to be computed from the first day of July 1859, last past;

Yielding and paying therefor yearly and every year during the said term to the party of the first part and their successors, the yearly rent or sum hereinafter mentioned, on the days and times and in the manner hereinafter set forth, that is to say, a yearly rent or sum sufficient to pay interest on the share capital of the party of the first part, which said share capital amount to two hundred and twenty-five thousand pounds sterling, at and after the rate of six per cent per annum, from the date of the last payment on said share capital to the thirtieth day of June last past, which said interests amounted, on said thirtieth day of June, to seven thousand seven hundred and ninety-two pounds two shillings and eight pence, and from and after the said thirtieth day of June, at and after the rate of eight per cent, until the thirtieth day of June, one thousand eight hundred and sixty-four, and from and after the said thirtieth day of June, one thousand eight hundred and sixty-four, at and after the rate of six per cent per annum, together with such additional sum as may be payable under the stipulations and agreements hereinafter contained, and a further yearly rent or sum of eighteen thousand pounds sterling, being eight per cent per annum on the new Debenture Capital of the Company, which said Debenture Capital amounts to two hundred and twenty-five thousand pounds sterling, the said last yearly rent or sum to be calculated from the first day of July, one thousand eight hundred and fifty-nine, and said yearly rents or sums to be payable half yearly on the first day of June and the first day of December in each year during the continuance of the term hereby created.

And the said party of the second part for themselves and their successors covenant and agree to and with the party of the first part and their successors that the party of the second part shall and will well and truly pay and cause to be paid the said annual rent, on the days and at times hereinbefore mentioned, to the said party of the first part and their successors, and the party of the second part for themselves and their successors, further covenant and agree to and with the party of the first part in manner following, that is to say :

1st. That they will provide all Locomotive Engines and other stock and plant of all kinds, together with all station furniture which may be required for efficiently working the Railway of the Chicago Company, and will bear and pay all expenses of and incident to the working thereof, and will also, during the said term, maintain and uphold the said Railway, including all Stations, Buildings, Works and conveniences in good repair, order, and condition, and will, on the determination of the Lease, yield up the same in like good order and condition.

2nd. The Grand Trunk Company will also bear and pay all taxes, rates and assessments now payable by the Chicago Company, or which may from time to time be imposed upon The Chicago Company, and which, but for this lease, and the agreements herein contained, would have to be borne and paid by the Chicago Company.

3rd. The Grand Trunk Company will, at all times, during the continuance of the term hereby granted, work the Chicago Railway as if it were part of their own undertaking, and will use their best endeavours to develop

the traffic thereof, and will afford all proper and reasonable accommodation to the public.

4th. The Grand Trunk Company will duly observe and fulfill all statutory requirements of the State of Michigan, in relation to the Chicago Railway, and will indemnify the Chicago Company against any loss or claim for or on account of alleged non compliance therewith.

5th. The Grand Trunk Company will indemnify and save harmless the Chicago Company of and from all costs, loss or damages to which they may be held liable of or from any matter or thing whatsoever arising out of the working of the Railway.

6th. The Grand Trunk Company will also perform and fulfill all covenants or undertakings, if any, of the Chicago Company with land owners or other persons and will indemnify the Chicago Company against any loss, damage or claim arising therefrom, and it is further agreed between the parties of the first and second parts that the gross earnings from traffic of all kinds carried over the Chicago Railway, as well local as through, shall be carried to the account of a fund out of which the following payments shall be made, and in the order herein indicated, that is to say :

First.—A sum of money sufficient to pay the interest from time to time payable on the Debenture Debt of the Chicago Company for the time being, which said debt amounts to the sum of two hundred and twenty-five thousand pounds sterling.

Second.—The Grand Trunk Company shall and will pay to the Chicago Company the sum of seven thousand seven hundred and ninety-two pounds, $\frac{2}{3}$ being the interest due on the share capital of the Chicago Company up to the thirtieth day of June, one thousand eight hundred and sixty, and shall and will pay to the Chicago Company interest at the rate of eight per cent per annum from the said thirtieth day of June, one thousand eight hundred and sixty, until the thirtieth day of June one thousand eight hundred and sixty-four, on said share capital, and from and after the thirtieth day of June, one thousand eight hundred and sixty-four, interest at the rate of six per cent per annum on the said share capital, which said share capital is hereby declared to be the sum of two hundred and twenty-five thousand pounds sterling.

Third.—That from and out of said fund the Grand Trunk Company shall be entitled to retain fifty per cent of such gross earnings as an agreed payment for working expenses ; Provided, always, that the said the Grand Trunk Company shall and will pay the sums hereinbefore mentioned and which together constitute the rent hereby payable and reserved, whether the said gross earnings shall be sufficient to pay the same or not.

Fourth.—That from and after the said thirtieth day of June, one thousand eight hundred and sixty-four, in the event of the gross earnings of the Chicago Railroad being more than sufficient to pay to the Chicago Com-

pany the rent hereby reserved, and the fifty per cent of such gross earnings to be retained by the Grand Trunk Company as aforesaid, any balance shall remain, such balance shall be applied as a further payment of interest on said Share Capital, to an amount not exceeding two per cent per annum, and if any surplus shall remain after such additional payment of two per cent, the surplus so remaining shall be retained by the Grand Trunk Company for their own use and benefit, it being the intention of the parties hereto that the rent hereby reserved shall, at all times, be payable, that fifty per cent of the gross earnings shall be retained by the Grand Trunk Company, for expenses of working and maintaining the Railway and structures, and that if the gross earnings are more than sufficient to pay such rent and expenses, the Share Capital of the Company shall, after the 30th day of June, one thousand eight hundred and sixty-four, be entitled to a further payment of interest not to exceed two per cent, and any surplus thereafter remaining shall be retained by the Grand Trunk Company in addition to the said proportion of fifty per cent.

It is further agreed between the Chicago Company and the Grand Trunk Company, that the Grand Trunk Company shall fix the rates for all traffic, local as well as through, conveyed over the Chicago Railway, and the Grand Trunk Company covenant to and with the Chicago Company, that they shall and will at all times send or cause to be brought upon the Chicago Railway, so much traffic as, at the rates fixed by them, will be sufficient to secure and guarantee to the Chicago Company the payment out of the gross earnings of the two sums constituting the rent to be paid by the Grand Trunk Company to the Chicago Company.

It is further agreed that the Grand Trunk Company shall and will keep just and true accounts of all moneys received by them for traffic of whatever description carried over the Chicago Railway, which accounts shall at all times be open to the inspection of the Chicago Company, or of any person or persons appointed by them to examine the same, and farther that the returns of all traffic transported over the Chicago Railway, certified by the proper Officers of the Grand Trunk Company, shall be furnished at the least once every three months to the Secretary of the Chicago Company, which Returns shall be made on the first days of January, April, July and October.

It is further agreed that the Grand Trunk Company shall and will furnish the Chicago Company with a table of the rates and charges established by them for the transportation of passengers and freight across the Chicago Railway, and that if any change be made in the table of rates so furnished, such change shall be notified by the Grand Trunk Company to the Chicago Company.

It is also agreed that the Grand Trunk Company shall furnish and deliver to the Chicago Company all such accounts and returns as are or may be required by any law of the State of Michigan, to be made and furnished by the Chicago Company, and when such Returns and Accounts are required to be verified under oath that such Accounts and Returns shall be verified by the oath of the officers of the Grand Trunk Company making the same.

It is also agreed that in case the rent hereby reserved shall, at any time or times, be in arrear and unpaid for the space of thirty days after any one of the days herein limited for the payment of the same, it shall and may be lawful for the Chicago Company to re-enter into and upon the hereby demised premises, and to have and to hold the same freed and discharged of and from the term hereby created, and, at the option of the said Company, to declare these presents at an end, and thereupon the term hereby created shall wholly cease and determine, or it shall and may be lawful for the said the Chicago Company to enter into and upon the hereby demised premises and to take and use all rolling stock, plant, station furniture and materials whatsoever belonging to or under the control of the Grand Trunk Company, to be provided as hereinbefore mentioned, and to work and use the same until the rent so in arrear and unpaid shall be paid and satisfied out of the receipts of the traffic of the said Railway after payment of all necessary charges and expenses, and then to return the same to the said the Grand Trunk Company, and so from time to time as often as such default in payment of the rent hereby reserved may occur, and in case the Chicago Company shall, under the condition herein contained, enter into and upon the said demised premises, and take and work the same, as hereinbefore mentioned, the Grand Trunk Company covenant and agree that they shall and will afford every assistance in their power to the Chicago Company to enable them so to do.

It is also further agreed that a joint committee, consisting of two of the directors of each of the said Companies, shall from time to time be appointed by the said Companies, which said committee shall have power and authority to make such rules, orders and regulations, for giving effect to the provisions of this lease as to them may from time to time seem necessary, and in case any dispute or difference shall arise between the said Companies, every such dispute or difference shall be referred to the arbitration and award of an arbitrator to be mutually agreed upon between the said Companies, or in case the said Companies cannot agree upon an arbitrator, then to the arbitration and award of an arbitrator to be named by one of the judges of any of the Superior Courts of Common Law in Upper Canada, upon the application of either of the said Companies, and the decision of the said arbitrator so chosen or named shall be final and conclusive on both the said Companies, and in case any such arbitration shall take place each of the said Companies shall pay and sustain their own costs and charges of and about the same, and the arbitrators' charges shall be borne equally by the two Companies.

It is also further agreed that in case the Grand Trunk Company shall be advised that any alteration in the Laws of the State of Michigan is necessary for giving effect to this lease and shall require the Chicago Company so to do, the Chicago Company shall and will, at the next meeting of the Legislature of the State of Michigan, apply for such alteration in the Law as the Grand Trunk Company may indicate, and shall and will use their endeavours to procure the same.

And this Indenture further witnesseth that the said Casimir Stanislaus Gzowski and Thomas Galt, as Trustees, under a deed of trust, bearing date

the 29th day of September, one thousand eight hundred and fifty-nine, hereby consent and agree to the terms hereby created, provided always that such consent shall not be held or taken to prejudice, affect or interfere with the rights and powers of the said Trustees under the said deed of trust of the 29th day of September, in case of non-payment by the Grand Trunk Company or by the Chicago Company, of the interest on the debenture capital of the said last mentioned Company or of the stipulations and agreements in the said deed of trust mentioned and set forth.

In witness whereof, the parties of the first and second parts have caused their corporate seals to be affixed, and the parties of the third part have hereunto set their hands and seals.

(Signed,) THOS. E. BLACKWELL, Prest. of the
Chicago, Detroit and Canada Grand
Trunk Junction Railroad Co.



(Signed,) JOHN ROSS,
Prest. of the Grand Trunk Railway
Co. of Canada.



(Signed,) C. S. GZOWSKI,
THOS. GALT.

(Signed,) J. T. BROWN,
Witness to the seals of
C. S. Gzowski & Thos. Galt.

APPENDIX III.

WHEREAS the Atlantic and St. Lawrence Railroad Company, a Corporation established by the legislature of the State of Maine, and the *Grand Trunk Railway Company of Canada*, a Corporation established by the Legislature of the Province of Canada, have negotiated respecting the leasing of the railroad of said *Atlantic and St. Lawrence Railroad Company* to the said *Grand Trunk Railway Company*, under the authority granted by an Act of the Legislature of Maine, passed on the twenty-ninth day of March, in the year of Our Lord one thousand eight hundred and fifty-three, intituled: An Act to authorize a lease of the *Atlantic and St. Lawrence Railroad*, and the said Companies have preliminarily agreed,

the said *Atlantic and St. Lawrence Railroad Company* to grant, and the said *Grand Trunk Railway Company* to accept a lease of said Railroad and its appurtenances in substance, upon the terms, agreements, covenants and conditions hereinafter in this instrument recited and set forth, but the said *Grand Trunk Railway Company* has not now the legal competency to enter into and execute such lease for want of the requisite legislative authority therefor. And the *Honorable John Ross, of Belleville*, in the Province of Canada, *Benjamin Holmes, Esquire, of Montreal*, in said Province, and *William Jackson, Esquire, of Birkenhead, England*, Stockholders in said *Grand Trunk Railway Company*, in furtherance of the objects of said Companies and to promote the ultimate and definitive execution of their preliminary agreement as aforesaid, have undertaken, as hereinafter recited, to enter into and accept a lease of said Railroad and appurtenances for the purpose of holding the same in behalf of said *Grand Trunk Railway Company*, pending and until the procurement of the requisite legislative authority to enable said Company definitively to execute and complete said preliminary agreement, and in its own behalf to enter into, execute and accept a lease as aforesaid and with the intent that as soon as such authority shall be procured, they, the said Ross, Holmes and Jackson, shall assign and transfer all their right and title and interest in said Railroad and appurtenances to the said *Grand Trunk Railway Company* ;

AND WHEREAS the said *Atlantic and St. Lawrence Railroad Company*, by the Act of the Legislature of Maine aforesaid, was authorized, at any time within two years from the passage of said Act, to enter into and execute such a lease of the railroad of said Company, or contract in the nature of a lease, as would enable the lessees thereof to maintain and operate by means of said Railroad and other roads in extension of the same, a connected line of railroads from the Atlantic Ocean, at Portland, to the City of Montreal, in the Province of Canada, and thence to the Western part of said Province ;

AND WHEREAS the stockholders of the said *Atlantic and St. Lawrence Railroad Company*, at a legal meeting held on the (10th) tenth day of June, in the year of Our Lord one thousand eight hundred and fifty-three, by their vote, authorized the Directors of said Company to enter into such a lease or Contract, in the nature of a lease as is contemplated and described in the Act aforesaid ;

NOW THIS INDENTURE, made this fifth day of August, in the year aforesaid, between the said *Atlantic and St. Lawrence Railroad Company*, on the one part, and the *Honorable John Ross, Benjamin Holmes and William Jackson, Esquires*, aforesaid, on the other part, witnesseth that in consideration of the premises and of the rents, covenants and agreements hereinafter reserved and contained, by and on the part of them the said Ross, Holmes and Jackson, to be paid, done and performed, the said *Atlantic and St. Lawrence Railroad Company* doth hereby demise and lease to them the said Ross, Holmes and Jackson, the railroad of said *Atlantic and St. Lawrence Railroad Company* as now chartered, located and constructed, commencing at the City of Portland, in the State of Maine, extending

thence to the boundary line of the State of New Hampshire, and thence continuing through the State of New Hampshire, to and into the State of Vermont, as far as to the common junction at Island Pond, in the County of Essex, in said State of Vermont, together with all the property and estate real personal and mixed wheresoever the same may be situated, belonging to said Atlantic and St. Lawrence Railroad Company, appurtenant to and designed for the purposes of maintaining and operating said Railroad, including all the Stations, warehouses and other buildings, bridges, piers, wharves, shore rights, water rights and harbor privileges belonging to, vested in or possessed by said Atlantic and St. Lawrence Railroad Company; and all the rights of way and other easements, rights to acquire easements, the road, bed, superstructure, equipment, apparatus, implements, rails and other materials and stores which the said Company possesses, claims, holds, occupies and enjoys for the objects of its incorporation under the charter thereof, according to the Schedule of said property, and estate hereinafter named and marked "Schedule of property;" also all the tolls, rates, fares, rents and income which the said Company is now or may hereafter be entitled to receive and take, and all its rights to demand, collect and receive the same, and all the claims of every nature, *crédits, choses en action*, causes of action, appeals and right of appeal, which shall belong to and be held by said Company at the commencement of and during the term herein defined and limited;

TO HAVE AND TO HOLD the said Railroad property, estate, rights and privileges, and all and singular the premises hereby demised with the appurtenances thereof, to them the said Ross, Holmes and Jackson, and the survivors and survivor of them in trust, until assignment thereof as hereinafter provided, and to their said assigns herein designated, for and during the full term of nine hundred and ninety-nine years from the first day of July, in the year of Our Lord, one thousand eight hundred and fifty-three, subject to the provisions of all the special Acts of the Legislatures of the State of Maine, New Hampshire and Vermont, respecting, creating, granting, limiting, defining or restraining the rights, privileges, powers and duties of the said Atlantic and St. Lawrence Railroad Company, and to all the provisions of the general Laws of said States now in force, and which may hereafter be enacted affecting the said Company, subject also to the provisions of any and all mortgages, grants, leases and conveyances of whatever nature heretofore executed by said Company of its said Railroad property, estate, privileges and rights or any part thereof, and to all liens and incumbrances now lawfully existing on the same.

RESERVING hereupon a yearly rent payable by the said lessees and assigns to the said Atlantic and St. Lawrence Railroad Company, of the sum of one hundred and eight thousand nine hundred dollars, being at the rate of six dollars in the hundred by the year, upon the aggregate amount of eighteen thousand one hundred and fifty shares in the Capital Stock of the said Atlantic and St. Lawrence Railroad Company, at the par value thereof being all the shares now lawfully issued and entitled by virtue of existing contracts to be issued of the said Capital Stock, except certain

collateral shares hereinafter mentioned, to be paid in equal half yearly payments at said Portland, on the thirty-first day of December, and thirtieth day of June, in every year for and during the term of this lease.

THIS LEASE is made and accepted upon the following further terms, covenants and agreements, that is to say :

First. The said Lessees are to maintain and operate and hereby jointly and severally covenant for themselves and the survivors and survivor of them, that they will maintain, operate, use and employ the Railroad property, estate, rights and privileges hereby demised in furtherance of the objects contemplated by the charter of the said Atlantic and St. Lawrence Railroad Company, in the several States, within which the same is located and constructed, and in pursuance of all the general and special laws of the States aforesaid, affecting the same and in such manner as to promote the best public convenience and advantage under said charters and laws during the term of this lease.

Second. The said Lessees further covenant, as aforesaid, that they will at all times during the term of this lease, maintain and keep the said Railroad buildings, superstructure, equipment and other property hereby demised and enumerated in the Schedule of property aforesaid, and such as may be substituted in pursuance of this indenture in place of the same in good and substantial repair and condition, and will from time to time make such alterations, improvements and enlargements of said railroad, and its appurtenances, and such additions to and renewals of its buildings, equipment, apparatus and other moveable property of every kind, as shall be necessary for the most safe, convenient and regular transportation to the largest practicable amount of passengers, goods and mails upon all and every part of the line and from all the several stations of said railroad so as to accomplish most effectively the public objects contemplated by the charter of said Atlantic and St. Lawrence Railroad Company, and by the laws of the several States aforesaid, affecting the same, and to promote and sustain most beneficially all the possible reversionary interest of the said Atlantic and St. Lawrence Railroad Company.

Third. The said Lessees are hereby authorized to sell or otherwise dispose of, alter, amend and repair any of the buildings, rails, equipment apparatus or other moveable property hereby demised and enumerated in the schedule of property aforesaid, or which may at any time be used or employed in or about said railroad or be appurtenant thereto, so however, that in all such cases, and the said lessees hereby covenant as aforesaid, that in all such cases, there shall be substituted in place of that which is sold or otherwise disposed, altered, amended or repaired, other property of the like kind and equally good or better for the like purposes, and the said lessees are hereby further authorized to cause to be made or constructed, any new buildings, tracts, rails, apparatus, equipment or other moveable property, necessary and beneficial to be used for the purposes of said railroad, and to make any and all improvements, alterations and repairs, renewals and enlargements of said railroad, which may be necessary for

the greatest efficiency and use of the same, but not so as to divert the same from its present location, nor to impair the most convenient public use of the same.

Fourth. The said Lessees further covenant as aforesaid, that they will duly pay the rent herein reserved at the times and in the manner herein provided without demand of the same and will duly pay all taxes which may lawfully be assessed in any Jurisdiction, and for any purpose upon any and all the corporate property, rights, estate and franchise of the said Atlantic and St. Lawrence Railroad Company.

Fifth. The said Lessees further covenant as aforesaid, that they will assume, provide for, satisfy and fully discharge all the debts, liabilities and obligations of the said Atlantic and St. Lawrence Railroad Company, which are over and above the funded debt hereinafter mentioned, and which are enumerated in the Schedule thereof, hereinafter named and marked "Schedule of Debts" and all the debts, liabilities and obligations, if any, which may hereafter, during the term of this lease, by implication of law, arise against and be due from said Company, and will fully and for ever guarantee, indemnify, save and hold harmless the said Atlantic and St. Lawrence Railroad Company, and the Stockholders thereof against all liability for principal or interest on account of any mortgage bonds heretofore issued by said Company, and on account of any bonds, mortgages, obligations or assurances heretofore issued by said Company, and on account of any bonds, mortgages, obligations or assurances heretofore given by said Company, to the City of Portland, to secure the said City for the loan of its credit to said Company.

Sixth. The said lessees further covenant as aforesaid that they will for ever guarantee, indemnify, save and hold harmless the said Company against all liability for payment of principal or interest of the certificates of loan heretofore issued by said City to said Atlantic and St. Lawrence Railroad Company in aid of the construction of said railroad against all costs and expenses arising from any suit or legal proceeding instituted by any holder of such certificates, and will undertake and perform all the duties and assume all the liabilities imposed upon the said Atlantic and St. Lawrence Railroad Company by the several acts of the Legislature of Maine authorizing the said City to issue the certificates aforesaid, and will duly provide for and make all such contributions and payments as the said Atlantic and St. Lawrence Railroad Company is by law required to make to the several sinking funds created and established by acts of the Legislature of Maine for the reimbursement of the loans or any part of the loans so made by the City of Portland.

Seventh. The said lessees further covenant as aforesaid that they will, from and after the execution of this Indenture, assume the defence of all suits, actions, complaints and prosecutions which may then be pending, which may thereafter be brought against the said Atlantic and St. Lawrence Railroad Company, or any of its officers, servants or agents for any thing by them done under authority and in behalf of said Company,

and will indemnify and save harmless the said Company and the Stockholders thereof against all costs and expenses incurred in such defence and against any and all judgments which may be recovered in such suits, actions and prosecutions, and will indemnify, save and hold harmless the said Atlantic and St. Lawrence Railroad Company and the Stockholders thereof against all claims, actions, damage and liability on account of any thing which may be done or omitted by the said lessees or any of them while exercising or assuming to exercise any of their powers and rights under this Indenture, and on account of any and all acts, omissions or neglects of any kind in any manner done or suffered by the said lessees or any of their servants or agents.

Eighth. The said lessees further covenant as aforesaid that they will, on or before the expiration of every year during the term of this lease, pay to the said Atlantic and St. Lawrence Railroad Company the sum of five hundred dollars for all such necessary expenses as the said Company may incur within the year aforesaid for the compensation of such officers as may be required in maintaining the organisation of said Company for incidental charges attending the holding of its corporate meetings and for all necessary proceedings in maintaining and preserving its corporate powers.

Ninth. The said lessees further covenant as aforesaid that they will never underlet nor assign this lease or any part of their term therein except by assignment to said Grand Trunk Railway Company as herein-after provided, and that they will at all times do, observe and perform whatever may be lawfully and reasonably required on their part to be done, observed and performed, to uphold, protect and maintain the franchise, rights and interests of said Atlantic and St. Lawrence Railroad Company, and that they will not do nor voluntarily suffer any thing to be done which shall lead or tend to a forfeiture of the franchise of said Atlantic and St. Lawrence Railroad Company or in any manner impair the value of the same.

Tenth. And whereas the said Atlantic and St. Lawrence Railroad Company and the St. Lawrence and Atlantic Railroad Company, a corporation established by the Legislature of the Province of Canada and designed to effect through the connection of the respective railroads of said Companies a communication between the City of Portland and the City of Montreal, by a certain instrument or fundamental articles of mutual agreement, entered into by them on the seventeenth day of April, one thousand eight hundred and forty-six, established certain mutual regulations providing amongst other things for the mode and terms of transacting the joint business upon said Railroads and for the government of said Companies in relation thereto and the said St. Lawrence and Atlantic Railroad Company has since that time been consolidated into and become a part of the said Grand Trunk Railway Company; Now the said lessees further covenant as aforesaid that they will at all times faithfully observe and do whatever remains executory, subsisting and unperformed of the agreements and regulations so entered into and adopted by the said St. Lawrence and

Atlantic Railroad Company, and consistent with the relations of the parties to this lease, and that in the event of a surrender or forfeiture of this lease the said Grand Trunk Railway Company shall and will, nevertheless, assume, perform and continue to perform and observe all the agreements and regulations so entered into and adopted by the said St. Lawrence and Atlantic Railroad Company and then remaining executory, subsisting and unperformed.

Eleventh. If the said lessees shall, at any time, fail to pay the rent herein reserved as the same shall become payable and shall suffer the same to be in arrears for more than sixty days from and after the time the same became payable, they shall, upon such failure and suffering the said rent to be in arrears, be liable, without any demand or notice by the said Atlantic and St. Lawrence Railroad Company, to suffer the forfeiture of this lease as hereinafter provided.

If the said lessees shall, at any time, fail to pay the interest which shall become due and payable upon any of the certificates of loan issued by the City of Portland as hereinbefore mentioned, or shall neglect or omit to pay the principal of any of said certificates for more than six months after the maturity thereof, they shall, upon such failure or neglect or omission, be liable, without any demand or notice by the said Atlantic and St. Lawrence Railroad Company, or any person or corporation interested therein, to suffer the forfeiture of this lease as hereinafter provided.

If the said lessees shall, at any time, fail to pay the interest which shall become due and payable upon any of the mortgage bonds heretofore issued by the said Atlantic and St. Lawrence Railroad Company, or shall neglect or omit to pay the principal of any of said mortgage bonds for more than six months after the maturity thereof, the said lessees shall, upon such failure or such neglect and omission, be liable, without any demand or notice by the said Atlantic and St. Lawrence Railroad Company, or any holder of said mortgage bonds, to suffer the forfeiture of this lease as hereinafter provided.

But these stipulations and agreements for forfeiture, so far as relates to the certificates of loan aforesaid, issued by the City of Portland, and to the mortgage bonds aforesaid, are to be understood and taken as subject to the provision that if said lessees shall duly provide the requisite funds for the payment of the principal and interest which shall become due and payable at any time upon the certificates of loan and mortgage bonds aforesaid and shall deposit such funds with some suitable depository at the times and places when and where such principal or interest shall be payable according to the tenor of the certificates and bonds aforesaid, payable on demand to the holders thereof, and shall give reasonable public notice of such deposit, then the said lessees shall not be accountable for nor liable to suffer any forfeiture by reason of any delay on the part of the holders of such certificates and bonds, to demand and accept payment of the principal or interest due thereon, but shall nevertheless be and remain liable at all events for the fidelity of the depository with whom such funds shall be deposited and for the security and proper application of the same.

If the said lessees shall fail to pay and discharge the debts, liabilities and obligations of the said Atlantic and St. Lawrence Railroad Company, which are over and above the funded debt hereinafter mentioned and which are enumerated in the Schedule of debts hereinafter named, and shall suffer such debts, liabilities and obligations to be in arrears and unpaid to an amount equal to twenty-five thousand dollars for more than ninety days after the maturity of that amount in the aggregate and after notice of such arrears given by authority of the Directors of said Atlantic and St. Lawrence Railroad Company to the said lessees or any of them, or to any Officer of said Grand Trunk Railway Company, at the principal office of said Company in Canada, the said lessees shall, upon such failure and suffering such arrears to remain for the time aforesaid, be liable to suffer the forfeiture of this lease as hereinafter provided.

Twelfth. In the event of any failure, neglect and omission by the said lessees or the survivors, or survivor of them or their assigns hereinafter designated, to make the payments provided for and specified in the eleventh article hereof as therein required, and which failure, neglect, omission and the suffering such payments to be in arrears, it is therein declared shall render the said lessees liable to suffer the forfeiture of this lease, the said Atlantic and St. Lawrence Railroad Company into and upon all the said railroad property and estate hereby demised and into and upon all the improvements thereof and property substituted therefor or into and upon any part thereof in the name of the whole shall have the right immediately or at any time thereafter, without other notice and demand than is hereinbefore provided, to re-enter and take and hold possession of the same and use and operate the same and take the income and profits thereof, and the said lessees and all their servants and agents to dispossess and remove and may, at the time of such re-entry, or at any time thereafter, give written notice to the said lessees or any of them, or to the said Grand Trunk Railway Company, that it holds the said railroad property, estate and improvements for the purpose of effecting the determination of this lease and enforcing the forfeiture thereof for the specified breach or breaches of covenant for which such entry was made, which written notice shall be sufficient if delivered by authority of the Directors of said Atlantic and St. Lawrence Railroad Company to any one of said lessees or to any officer of the said Grand Trunk Railway Company at the principal office of the said Company in Canada, or in case of inability to deliver notice as aforesaid by publishing such notice for two weeks in some public journal in the City of Montreal. If the said lessees shall not, within eighteen months after the delivery of notice, or the last publication thereof as aforesaid, repair, supply and make good all the deficiency and breach of covenant for which such entry was made, with interest for the time of such deficiency upon the sum or sums unpaid and in arrears, all the estate, rights and interest of the said lessees under this lease shall be absolutely determined and forfeited, and the said Atlantic and St. Lawrence Railroad Company shall have and hold all the said railroad property and estate demised and all the improvements thereof and property substituted therefore and all the income thereof and in and of its former estate and to its own use without liability to account to said lessees for any of said property, estate, improvements, substitutions or income, or to refund or reimburse to said lessees

any sum by them before that time advanced, paid or applied in fulfilment or part of fulfilment of any of the covenants and agreements herein expressed. But if the said lessees and the survivors and survivor of them and their assigns hereinafter designated shall, at any time after such entry for breach of covenant and before the expiration of eighteen months aforesaid from the delivery or publication of notice aforesaid, repair, supply and make good all the deficiency and breach of covenant for which such entry was made, with interest as aforesaid, then the said lessees and the survivors and survivor of them, and their assigns aforesaid, shall be restored to the possession, use and enjoyment of all the demised premises and the improvements thereof and property substituted therefor as fully and amply and to all intents and purposes as if no such deficiency and breach of covenant had occurred, and the said Atlantic and St. Lawrence Railroad Company shall restore and hereby covenants that it will restore and yield possession as aforesaid and will account for and pay to the said lessees and the survivors and survivor of them, and their assigns aforesaid, all the net profits and income received by the said Atlantic and St. Lawrence Railroad Company by virtue of its entry and possession aforesaid.

Thirteenth. The said Atlantic and St. Lawrence Railroad Company on its part hereby covenants that it shall and may be lawful to and for the said lessees and the survivors and survivor of them and their assigns aforesaid, paying the rent herein reserved and providing for and making all the other payments required and provided for in the eleventh article hereof, peaceably and quietly to have, hold, use, occupy and enjoy all and singular the premises hereby demised with the appurtenances for and during the said term of nine hundred and ninety-nine years hereby demised without any molestation whatever, of or by the said Atlantic and St. Lawrence Railroad Company, or assigns, or any person or persons, lawfully or equitably claiming or to claim by, from or under said Company.

Fourteenth. The said Atlantic and St. Lawrence Railroad Company further covenants that it will, during the term hereby demised, uphold and maintain the lawful organisation of said Company, and will do all things on its part required to be done to uphold and save inviolate the charter and franchise thereof, and will from time to time elect and appoint all such officers, agents and servants as it may by law be required to elect and appoint for the purpose of so maintaining its organization, charter and franchise, and will invest them with such powers and duties as may be necessary to secure and maintain the corporate efficiency of said Company, according to Law.

Fifteenth. The said Atlantic and St. Lawrence Railroad Company further covenants that after the execution of this lease, and until the determination thereof it will not, without or beyond the request and consent of the said lessees, issue any further shares in the Capital Stock of said Atlantic and St. Lawrence Railroad Company, beyond the number of shares now lawfully issued or entitled by virtue of existing contracts to be issued as hereinbefore mentioned, and will not, after the execution of this lease and until the determination thereof, without or beyond the consent of

the said lessees, create any new debt against said Atlantic and St. Lawrence Railroad Company, nor issue or deliver any previously executed evidence of debt for which the said Company shall not have received value at the date of the execution of this lease, nor voluntarily do any act whereby any obligation of indebtedness shall result against said Company, but may nevertheless execute and deliver any new evidence of debt for indebtedness now existing or in liquidation of subsisting contracts.

Sixteenth. The said Atlantic and St. Lawrence Railroad Company further covenants that the said lessees shall be entitled to, and shall have all the benefit and advantage secured by Law, to the said Atlantic and St. Lawrence Railroad Company, arising or to arise from the establishment and operation of the several sinking funds created, as hereinbefore mentioned, for the redemption and reimbursement of the certificates of loan, heretofore issued by the City of Portland, as aforesaid, and shall be entitled to use and enjoy all the remedies which the said Atlantic and St. Lawrence Railroad Company, has or may have to secure the proper custody and management of said funds, and to use the name of the said Atlantic and St. Lawrence Railroad Company, whenever necessary for the enforcement of such remedies.

Seventeenth. The said Atlantic and St. Lawrence Railroad Company further covenants that it will, on its part, observe and keep all the agreements and regulations established and adopted in and by the fundamental articles hereinbefore mentioned, entered into between the said Company, and the St. Lawrence and Atlantic Railroad Company, under date of 17th April, 1846, and now remaining executory, subsisting and unperformed.

Eighteenth. In further consideration of the premises the said Atlantic and St. Lawrence Railroad Company hereby assigns to the said lessees all the contracts, bonds, notes, accounts, *choses en action*, claims, actions and causes of action, judgments, appeals and rights of appeal, which the said Atlantic and St. Lawrence Railroad Company now possesses or to which it is entitled, and hereby constitutes the said lessees and the survivors and survivor of them, its attorney irrevocable until the determination of this lease, with authority to appoint the said Grand Trunk Railway Company their substitute, and with power, in the name of said assignor, but to the use and at the cost of the assignees, to demand, sue for, prosecute, enforce, satisfy, recover and enjoy all the contracts and other things hereby assigned and in like manner, in the name of the said Atlantic and St. Lawrence Railroad Company, but at the cost and to the use of the said assignees, to prosecute all causes of action which may hereafter, during the term of this lease, accrue to the said Atlantic and St. Lawrence Railroad Company, against any person or corporation, other than the said lessees, and any person or corporation claiming or acting by or under their authority or authority from them derived.

Nineteenth. The said Atlantic and St. Lawrence Railway Company hereby further covenants, that it will at all times hereafter grant to the said lessees all such access to and inspection of the books, accounts, title deeds,

records, files and vouchers of the said Atlantic and St. Lawrence Railroad Company, as may be necessary to facilitate the operation and secure the interests of the said lessees under this indenture.

Twentieth. The Atlantic and St. Lawrence Railroad Company hereby declares its consent, that the lessees herein named, and the survivors and survivor of them, whenever and so soon as the said Grand Trunk Railway Company shall have the requisite authority to accept an assignment of this lease, may assign the same to said Company, with all the rights, title and interest of the said lessees therein, and with all their privileges and powers under the same, and the said lessees hereby jointly and severally covenant that whenever such authority shall be so acquired by the said Grand Trunk Railway Company, they and the survivors and survivor of them will within one year thereafter execute in due form of law, and deliver a valid and effective assignment of this lease and of all their rights, title and interest therein, and of all their powers and privileges under the same, to the said Grand Trunk Railway Company, to have and to hold to said Company, for all the time then remaining unexpired of the term herein demised, and will surrender, yield and make over to said Company, all their possessions in and of the Railroad property and estate hereby demised and all things whatsoever by them acquired and held under this lease appurtenant to said railroad property and estate, and used for the purposes thereof.

Upon the execution and delivery of such assignment and acceptance of the same by the said Grand Trunk Railway Company, the said Company shall thereby assume all the obligations of said lessees, under this instrument, and shall be holden and bound to keep and perform all the covenants and agreements of the said lessees herein expressed, and to comply with all the conditions and be subject to all the liabilities which by this instrument are imposed upon the lessees herein named, as fully and to all intents and purposes as if the said Grand Trunk Railway Company had been the original lessee under this indenture and party to the same, and shall in like manner be holden to supply, restore and make good all breaches of any of the covenants hereof by the said lessees or any of them before such assignment committed or suffered. And the said Atlantic and St. Lawrence Railroad Company further covenants that if such assignment shall be made and accepted as aforesaid, within the period of two years, from the twenty-ninth day of March, hereinbefore named, it will, upon the request of the said Grand Trunk Railway Company, execute and deliver to said Grand Trunk Railway Company any suitable instrument or instruments for the confirmation and assurance of the same, and for confirming and securing to the Grand Trunk Railway Company all the title, rights and interests, powers and privileges by this indenture demised to said lessees and their assigns hereby designated.

Twenty-first. If the said lessees, or any of them, or the survivors or survivor of them, shall, upon the request of the said Grand Trunk Railway Company, for an assignment of this lease as aforesaid, refuse, or for more than sixty days after such request, neglect to make and deliver such

assignment, they shall, upon such refusal or neglect, suffer the forfeiture of all their rights, title, interests and estate in and under the present lease, and the said Atlantic and St. Lawrence Railroad Company may thereupon, without demand or notice, re-enter upon the premises demised and the said lessees, their agents and servants may dispossess and remove and have and hold the said premises as in aid of its former estate as fully and to all intents and purposes as in case of forfeiture for any of the causes hereinbefore provided. But with the intent nevertheless that in case of such forfeiture and re-entry, the said Atlantic and St. Lawrence Railway Company will notwithstanding secure, maintain and uphold to the said Grand Trunk Railway Company all the beneficial interest of the said Grand Trunk Railway Company in and to the premises hereby demised, and will make, execute and deliver to the said Grand Trunk Railway Company, all such legal title and evidence of legal title, in and to the said premises, as may be suitable in the Law and practicable to be made in the manner hereinafter provided, or in any other suitable and legal manner to effect the objects and purposes of the said two Companies in this instrument expressed and set forth.

Twenty-second. If such forfeiture, as aforesaid, shall take place by reason of the refusal or neglect of said lessees to make the assignment aforesaid, or if the said Grand Trunk Railway Company shall, instead of the assignment hereinbefore provided for, elect to enter into, become party to and accept a new Indenture of lease whereby the said premises shall be originally and directly demised to said Grand Trunk Railway Company, and shall, within two years from the twenty-ninth day of March aforesaid, give notice to the said Atlantic and St. Lawrence Railroad Company of its election aforesaid, the said Atlantic and St. Lawrence Railroad Company will make and enter into a new Indenture of lease in substance upon the same terms, covenants, reservations, conditions and agreements as are herein expressed, *mutatis mutandis*, between the said Atlantic and St. Lawrence Railroad Company, on the one part, and the said Grand Trunk Railway Company on the other part demising and leasing to the said Grand Trunk Railway Company all the railroad property, rights and estate hereby demised, to have and to hold to the said Grand Trunk Railway Company for the full term of nine hundred and ninety-nine years, from the first day of July aforesaid, and upon the execution and interchange of such new Indenture so entered into upon the election of the Grand Trunk Railway Company, as aforesaid, all the estate, rights and title of the said lessees, parties to the present indenture, shall *ipso facto* be determined and cease, and all their possession, under the same, and all the property improvements, funds, income, benefits and advantages by them acquired and held under the same, shall be *ipso facto* surrendered, yielded and made over to the said Grand Trunk Railway Company, to its own use and behoof. But nothing done by virtue of any of the provisions aforesaid, relating to the assignment of this lease or the entering into a new Indenture of lease, shall be a waiver of any action or cause of action which the said Atlantic and St. Lawrence Railroad Company may have against said lessees or any of them, for any thing by them or any of them before that time done, omitted or suffered.

Twenty-third. And whereas the said city of Portland, by virtue of the provisions of two of the several acts hereinbefore mentioned, authorizing the loan of the credit of said city in aid of the construction of the railroad of said company, which two acts were passed respectively on the first day of August, 1848, and the twenty-seventh day of July, 1850, is the holder of fifteen thousand shares in the capital stock of the said Atlantic and St. Lawrence Railroad Company, issued and transferred to said city as collateral security for liabilities in said acts created, which collateral shares are not comprised in the number of eighteen thousand one hundred and fifty shares hereinbefore enumerated, the said lessees further covenant as aforesaid, that if at any time any of the shares so held as collateral security, shall be sold and transferred by direction of Commissioners, as in said acts is authorized, they will thereafter pay to the said Atlantic and St. Lawrence Railroad Company such additional yearly rent as shall be equal to six dollars in the hundred by the year upon the aggregate amount of all such shares as shall be sold and transferred as aforesaid, at the par value thereof, to be paid in equal half yearly payments, at said Portland, on the thirty-first day of December and the thirtieth day of June in every year, for and during the term of this lease, and all the provisions of this Indenture hereinbefore expressed, relating to and securing the payment of the rent hereinbefore reserved, shall be applicable to the payment of the additional rent hereby contingently reserved and made payable.

Twenty-fourth. If the said Grand Trunk Railway Company shall not, within eighteen months from the date of this Indenture, obtain the requisite legislative authority to enable it to accept an assignment of this lease or to become party to a new Indenture of lease as hereinbefore provided, the said lessees and the survivors and survivor of them shall be entitled, at any time thereafter, to surrender this lease to the said Atlantic and St. Lawrence Railroad Company, and to relinquish and yield to said Atlantic and St. Lawrence Railroad Company all their possession of the railroad and property hereby demised and the improvements thereof and property substituted therefor, which surrender shall be by writing delivered or tendered to any member of the Board of Directors of said Atlantic and St. Lawrence Railroad Company. Upon such delivery or tender of a written surrender and such relinquishment and yielding of possession as aforesaid, the said lessees and all of them shall be thereupon wholly discharged from all further liability, covenant and obligation under this Indenture, and the said Atlantic and St. Lawrence Railroad Company hereby covenant, that upon and after such delivery or tender of a written surrender and relinquishment of possession as aforesaid, it will never make any claim or prosecute any action against said lessees or any of them on account of any thing in this Indenture contained, saving nevertheless all actions and causes of action for any breach of covenants by them or any of them before that time committed or suffered.

Upon the surrender of this lease as aforesaid, the said Atlantic and St. Lawrence Railroad Company hereby covenants that it will repay in the manner hereinafter provided, all the expenditures which shall have been made by said lessees for such improvements of the property demised

and enlargements thereof, suited for the operation and use of said railroad and made within the period of eighteen months on this article mentioned, as shall have been assented to by resolution of the Directors of said Atlantic and St. Lawrence Railroad Company, at the time of entering upon said improvements and enlargements and will pay therefor in cash or by assuming and delivering the bonds of said Company to the necessary amount as hereinafter provided.

Twenty-fifth. Upon the surrender of this lease, as provided in the next preceding article hereof, the said Atlantic and St. Lawrence Railroad Company further covenants that it will repay to the said lessees and the survivors and survivor of them all such sums as the said lessees shall have paid before that time in payment, satisfaction and discharge of any of the debts, liabilities and obligations of said Company other than the funded debt of said Company and interest thereon, and payments made by said lessees to the sinking funds aforesaid, which funded debt is hereinafter limited and described at the sum of three millions four hundred and eighty-five thousand dollars, and will pay therefor in the manner hereinafter provided, with interest upon all the sums so paid by said lessees, from the dates of the several payments thereof, until the expiration of the period of eighteen months mentioned in the next preceding article hereof and no longer.

Upon such surrender as aforesaid, the said lessees further covenant as aforesaid, that they and the survivors and survivor of them will account for, repay and deliver to said Atlantic and St. Lawrence Railroad Company all the sums of money received by them from said Company under this Indenture and all the proceeds realised by them from any of the contracts and other things assigned to said lessees by the eighteenth article hereof, and will re-assign and deliver to said Company all such of the contracts and other things assigned as aforesaid, as shall not have been before that time converted into money or otherwise liquidated and settled.

The balance, if any, which shall be due from said Atlantic and St. Lawrence Railroad Company to the said lessees upon the mutual accounting between said parties, provided for in this and the preceding article hereof, shall be paid by said Company in cash, or, at the option of said Company, in the bonds of said Company to be made and delivered to said lessees and the survivors and survivor of them for the discharge of such balance, which bonds shall be in convenient sums in the sterling money at four dollars and eighty-four cents to the pound, payable in twenty-five years, in London, in England, to the holder thereof, with interest payable semi-annually in London aforesaid, at the rate of six dollars in the hundred by the year.

Twenty-sixth. For the purpose of raising funds to be applied towards the discharge of the debts, liabilities and obligations of the said Atlantic and St. Lawrence Railroad Company, mentioned in the fifth article hereof, other than the loans of the credit of the city of Portland, amounting to the sum of two millions of dollars, and the mortgage bond of said Company

amounting to the sum of one million of dollars, referred to in said article, and for the purpose of establishing and limiting the whole funded debt of said Company at the sum of three millions four hundred and eighty-five thousand dollars, the said Atlantic and St. Lawrence Railroad Company further covenants that it will, without delay, issue its further bonds to the amount of four hundred and eighty-five thousand dollars, which bonds shall be made in sterling money at four dollars and eighty-four cents to the pound, in such sums of five hundred pounds, as nearly as may be, payable in twenty-five years, in London in England, to the holder thereof, with interest payable semi-annually in London in England aforesaid, at the rate of six dollars in the hundred by the year, and shall not be sold or disposed of at less than the par value thereof, without first giving to the said lessees the right to purchase the same at par, and the said lessees hereby covenant as aforesaid, that upon such offer they will purchase the same at par, and the proceeds of such bonds shall be applied by said Atlantic and St. Lawrence Railroad Company in payment and discharge of that amount of the debts, liabilities and obligations aforesaid.

If the said bonds of the Company shall be sold and disposed of as aforesaid, and this lease shall not be surrendered as provided in the twenty-fourth article hereof, the said lessees hereby covenant as aforesaid, that they will fully and forever indemnify, guarantee, save and hold harmless the said Company against all liability for principal or interest on account of such bonds, and all the provisions contained in the eleventh and twelfth articles hereof, relating to the forfeiture of this lease, for default of any of the payments therein mentioned shall be applicable to the payment of the principal and interest which may be due upon the bonds by this article provided for.

Nothing in this Instrument contained is intended or is to be taken as impairing or affecting in any manner any previously existing rights or interests of the city of Portland, in and to the Railroad and property hereby demised.

The two several schedules hereinbefore referred to, and marked respectively "Schedule of Property" and "Schedule of Debts" are drawn in duplicate of even date with these presents and identified by the signatures of the parties hereto, and may be referred to and made available to either party to the same effect as if the same were annexed to and formed part of this Indenture.

In testimony whereof the Honorable John Ross, Benjamin Holmes and William Jackson, Esquires, aforesaid, have severally set their hands and seals to this Indenture in duplicate, and the Atlantic and St. Lawrence Railroad Company by Josiah S. Little, the President thereof duly authorized for this purpose by a vote of the Directors, of which a certified copy is hereto annexed, has sub-

scribed the same and caused the corporate seal of said Company to be hereunto affixed this fifth day of August, in the year of our Lord one thousand eight hundred and fifty-three.

Signed, sealed and delivered in the presence of the undersigned witnesses.

(Signed,) P. BARNES, of Portland aforesaid, Advocate,
A. ROBERTSON, of Montreal aforesaid, Advocate.

(Signed,) JNO. ROSS, [L. S.]
BENJN HOLMES, [L. S.]
WM. JACKSON, [L. S.]

(Signed,) The Atlantic and St. Lawrence Railroad Co.,
by JOSIAH S. LITTLE, President.

Countersigned by

CHS. E. BARRELL,
Treas. A. & St. L. R. R. Co.

(Signed,) B. CUSHMAN, Clerk.

The undersigned, the Mayor and Aldermen of the City of Portland, in pursuance of the third section of the Act of the Legislature of Maine, passed on the 29th day of March, 1853, intituled: "An Act to authorize a lease of the Atlantic and St. Lawrence Railroad" hereby express their assent to the foregoing lease and have severally subscribed their signatures upon this instrument, this fifth day of August, 1853.

(Signed,) JAMES B. CAHOON, Mayor,
RUFUS E. WOOD,
GEORGE PEARSON,
GEORGE W. WOODMAN,
O. L. SANBORN,
JACOB McLELLAN,
JONAS H. PERLEY.

State of Maine, Cumberland S. S., August 5th, 1853, personally appeared Josiah S. Little, and acknowledged the foregoing instrument by him subscribed in behalf of the Atlantic and St. Lawrence Railroad Company to be the free act and deed of said Company.

Before me,
(Signed,) P. BARNES,
Justice of the Peace.

State of Maine, Cumberland S. S., August 5th, 1853, personally appeared John Ross, Benjamin Holmes and William Jackson, and acknowledged foregoing instrument by them subscribed to be their free act and deed.

Before me,
(Signed,) P. BARNES,
Justice of the Peace.

At a meeting of the Directors of the Atlantic and St. Lawrence Railroad Company, held at their office, in Portland, on the fifth day of August, 1853.

Whereas the President by vote of the Directors of the 28th July last, was authorized to execute on behalf of the Company a lease of the railroad and property of this Company to trustees in trust for the Grand Trunk Railway Company of Canada, in the terms of a draft submitted by the committee appointed at the meeting of the Directors of the 27th June last

And whereas modifications of said draft have been made by the agreement of parties according to the modified draft of lease herewith submitted to the Directors.

It was voted—That the said modified draft of lease be and the same is hereby adopted and appointed by the Directors, and that the President be authorized to execute the same in duplicate on behalf of this Company, under the corporate seal, and to deliver the same to the said lessees in trustees aforesaid.

Voted—That the said modified lease be countersigned by the Treasurer and Clerk, and recorded at length in the Director's records, and that a certified copy of these votes be annexed to the Indenture delivered to said lessees.

A true copy of record,
(Signed,) B. CUSHMAN, Clerk.

A true copy,
(Signed,) A. ROBERTSON,
Advocate, Montreal.

Memorandum of agreement and guarantee supplemental to a lease by the Atlantic and St. Lawrence Railroad Company, to John Ross and others, bearing date 5th day of August, 1853, demising to the said lessees the Railroad of said Company with the appurtenances.

Whereas the said Atlantic and St. Lawrence Railroad Company, in and by the instrument of lease aforesaid, reserve a yearly rent, upon the premises demised of the sum of one hundred and eight thousand nine hundred dollars, being at the rate of six dollars in the hundred by the year upon the aggregate amount of eighteen thousand one hundred and fifty shares in the capital stock of said Company at the yearly value thereof, payable in equal half yearly payments, at Portland, in the State of Maine, on the thirty-first day of December, and the thirtieth day of June in every year, during the term of said lease, and the said lessees on their part covenanted that they would duly pay the rent reserved as aforesaid, at the times and in the manner in said instrument provided, and further covenanted that if at any time any of the shares in the capital stock of said Company, issued to the city of Portland as collateral security for liabilities incurred by said city, under the Acts of the Legislature of Maine, authorizing the said city to loan its credit in aid of the construction of the Railroad of said Company, should be sold and transferred by direction of Commissioners as

in said Acts is provided, they the said lessees would thereafter pay to the said Company such additional yearly rent as should be equal to six dollars in the hundred by the year upon the aggregate amount of all such shares as should be sold and transferred as aforesaid, at the par value thereof, to be paid in equal half yearly payments, at Portland aforesaid, on the thirty-first day of December, and the thirtieth day of June in every year, for and during the term of said lease, the breach of which said covenants is declared in said instrument of lease to be a cause of forfeiture thereof, and provision is therein made and set forth for enforcing such forfeiture.

And whereas by an Act of the Legislature of Maine, passed on the 28th day of September, 1853, authority is given to convert any of the shares in the capital stock of said Company into shares expressed in values of the sterling currency of England, in the manner provided in the said Act, and the said Company is authorized to stipulate for the payment of dividends on such converted shares, at London, in England, and the Directors of said Company under the authority of the Acts aforesaid, and at the request of said lessees have determined to provide for the conversion of shares as aforesaid, and for the stipulation of payment of dividends on the same as aforesaid ;

Now in consideration of the premises and in consideration of the covenants and agreements of the said lessees hereinafter recited, the said Atlantic and St. Lawrence Railroad Company hereby, waives, relinquishes and releases the payment of such an amount of all the yearly rent reserved and covenanted, to be paid as aforesaid, as shall be equal to the amount of dividends payable as aforesaid upon all the converted or sterling shares, which from time to time may be issued as aforesaid, and outstanding at any of the times of payment provided as aforesaid, and hereby covenants that if the said lessees and the survivors or survivor of them and their assigns, designated in said lease, shall, will and truly pay at London aforesaid on the 31st day of December, and the 30th day of June of every year, during the term of the said lease, the dividends which shall be stipulated to be paid as aforesaid upon all such converted or sterling shares, the same shall be in lieu of and in full discharge of so much of the yearly rent reserved in said lease. But the covenants in said lease for the payment of yearly rent as aforesaid, shall be and remain in full force with all the provisions for forfeiture thereto appertaining for security of the payment of all the balance for yearly rent reserved as aforesaid and actually paid upon such sterling shares.

And in consideration of the premises the said lessees hereby jointly and severally covenant for themselves and the survivors and survivor of them, that they will duly pay at London, in England, on the 31st day of December, and the 30th day of June in every year, during the term of said lease, at their own cost and charges, all the dividends which shall be stipulated to be paid as aforesaid by said Company upon the Sterling shares which shall be issued as aforesaid, at the rate of six pounds in the hundred by the year, and will indemnify, save and hold harmless the said Company under the stipulation for the payment of dividends as aforesaid

and against all expenditure, loss, exchange, commissions and charges of every kind, which may arise and be incurred by reason of said stipulation and in executing and carrying out the same.

The said lessees further covenant, as aforesaid, that if at any time they and the survivors and survivor of them, and their assigns aforesaid, shall fail to pay any of the dividends stipulated to be paid as aforesaid, and shall suffer the same to be in arrears for more than sixty days from and after the time the same shall become payable as aforesaid, they shall, upon such failure and suffering the said payment to be in arrears as aforesaid, be liable, without any demand or notice by the said Company, to suffer the forfeiture of the lease aforesaid, and all the provisions of the said lease relating to and providing for the enforcement of the forfeitures therein expressed for non-payment of rent shall be applicable to the non-payment of the dividends herein covenanted to be paid.

If the lease aforesaid shall, at any time, be surrendered in pursuance of the provisions therein contained for that purpose, all the obligations, covenants and agreements in and by this Instrument on the part of said lessees entered into shall be vacated and annulled, saving to the said Company all actions and causes of action which may have occurred before the date of such surrender by reason of any thing in this Instrument contained.

In witness whereof the undersigned the Mayor and Aldermen, &c., express their assent, &c.

The Grand Trunk Railway Company of Canada, in consideration of the several covenants and agreements in the foregoing Instrument on the part of the said Atlantic and St. Lawrence Railroad Company entered into, and in consideration of one dollar paid by said Atlantic and St. Lawrence Railroad Company, the receipt whereof is acknowledged, hereby guarantees the full and faithful performance of all the stipulations, covenants and agreements in the said foregoing Instrument on the part of the said Ross, Holmes and Jackson entered into, covenanted and agreed, and hereby engages that the same shall be duly and faithfully kept and performed.

And for the consideration aforesaid the said Grand Trunk Railway Company hereby covenants, with the said Atlantic and St. Lawrence Railroad Company, that in case of the surrender or forfeiture of the lease in said foregoing Instrument mentioned, under any of the terms and provisions thereof, the said Grand Trunk Railway Company will, notwithstanding such surrender or forfeiture, indemnify, guarantee, save and hold harmless absolutely and at all events the said Atlantic and St. Lawrence Railroad Company against all expenditure, loss, exchange, commissions and charges, which may at any time arise and be necessarily incurred, in paying at London as aforesaid all such dividends as the said Atlantic and St. Lawrence Railroad Company shall pay under the stipulation aforesaid for that purpose upon all the Sterling Shares of said Atlantic Company, which shall from time to time be outstanding, and be entitled to receive the payment of dividends at London next preceding such demand.

In witness whereof the said Grand Trunk Railway Company has caused this Instrument to be subscribed by John Miller Grant, their Assistant Secretary, and the certificate seal of said Company to be hereunto affixed, and the said Atlantic and St. Lawrence Railroad Company has acknowledged the delivery of the same by causing a duplicate thereof to be subscribed by Josiah S. Little, President of said Company, this day of _____ in the year of our Lord one thousand eight hundred and fifty-three.

(Signed,) JOHN MILLER GRANT,
Assistant Secretary.

APPENDIX IV.

THIS AGREEMENT, made the tenth day of March, in the year of Our Lord, one thousand eight hundred and sixty, between *Walter Shantly*, of the City of Montreal, in the Province of Canada, Esquire, of the first part, and the Honorable *John Hamilton*, of the City of Kingston, in the Province aforesaid, Esquire, of the second part.

WHEREAS the party of the second part now is the proprietor of the three Steamers known as "Passport," "Champion" and "Kingston," and has chartered the Steamers "Banshee," "Jenny Lind" and "New Era," and has also entered into an agreement for the charter of the American Steamers "New York," and "Northerner;" and whereas it has been agreed between the parties hereto to run the said steamers on the routes hereinafter mentioned, for the joint benefit of the parties hereto, now this agreement witnesseth that the said parties have agreed, and do agree as follows :

First. That this agreement shall be and remain in full force and effect, for the period of three years from the first day of this present month of March.

Second. That all expenses and losses arising from the employment of the said Steamers shall be born equally by the parties hereto, and all profits be equally divided between them.

Third. That the said Steamers shall be under the control and management of the party of the second part, who hereby covenants and agrees with the party of the first part to keep full and true accounts of all expenses, disbursements and receipts connected with the employment of the said Steamers, which said accounts shall be at all times open to the inspection of the party of the first part, or of any person or persons appointed by him to examine the same, and also, that he shall and will furnish to the party of the first part, once every month, accounts, showing the expenses, disbursements and receipts connected with the employment of the said Steamers, and shall and will pay over to the party of the first part, one half of the profits arising from the employment of the said Steamers; but

the said party of the second part is to retain out of any moneys received by him the sum of four thousand dollars per annum, as compensation for his time and attention in and about the management of the said Steamers; which said sum is to be deducted before any division of profits is made.

Fourth. It is agreed between the parties, that the following sums shall be the first charge against the said Steamers, namely: for the charter of the Steamers "Passport," "Kingston," "Champion," "Banshee," and "New Era," the sum of four thousand dollars each per annum, and that the said five Steamers do form a daily line between Kingston and Quebec; and that the sum of fifteen thousand dollars per annum be paid for the charter of the Steamers "Northerner" "New York" and "Jenny Lind," and that the said Steamers "Northerner" and "New York," do form a daily line, Sundays excepted, between Lewiston, Toronto, Cape Vincent and Ogdensburg.

Fifth. The party of the first part covenants with the party of the second part, that he shall and will well and truly pay and discharge one half of all disbursements and expenses incurred in the chartering and running the said Steamers, and in insuring the same; and that he shall and will, and he does hereby accept and confirm the charter parties entered into by the party of the second part, for the chartering the said Steamers; and he hereby agrees to pay and discharge one half of all losses or expenses incurred by the party of the second part, or for which he may be liable under the said charter parties, it being the intention of the parties to these presents that all expenses, charges, disbursements and losses, shall be borne equally between the parties hereto, and all profits be equally divided between them, as mentioned in the second clause of this agreement.

Sixth. It is agreed that during the continuance of this agreement, the rates to be charged for passengers and freight shall, notwithstanding anything contained in the third clause of this agreement, be fixed and agreed upon between the parties hereto; and that, except under special circumstances, to be decided on in each case by the party of the second part,—such rates shall not be altered or varied, and that before any alteration or variation, the party of the second part shall, if possible, consult with the party of the first part, and if the party of the first part objects to such alteration or variation, then the same shall not be made; and further, it is agreed that the rates for passengers and freight shall not, without the express consent of the party of the first part, differ from the rates charged by the Grand Trunk Railway Company of Canada, on the line of their Railway, with this exception, that passengers by the Steamers shall be entitled to meals and berths without any extra charge, as an equivalent for the additional time occupied in the trips; and further, that the tickets available to passengers by the Grand Trunk Railway shall be received on board the said Steamers, and the party of the first part agrees to receive and take the same as cash from the party of the second part, and to arrange and settle with the Grand Trunk Company therefor.

Seventh. It is agreed between the parties hereto that the arrangements by which the said business shall be carried on, shall be settled between

the parties hereto in such way as may be most advantageous to themselves and convenient to the public ; and that any arrangements entered into to secure such results may from time to time be modified and altered.

Eighth. It is agreed that the said Steamers shall be insured in such sums and on such terms as the party of the second part shall deem advisable, and all premiums of insurance shall be a charge against the said Steamers, and be borne equally between the parties hereto.

Ninth. In case any difference shall arise between the parties hereto, in carrying out this agreement, all such differences shall be referred to the award of Casimir Stanislaus Gzowski, Esquire, whose decision shall be final, and the parties hereto mutually covenant to abide by any award made by the said Casimir Stanislaus Gzowski, and in the event of the said Casimir Stanislaus Gzowski being unable, or refusing to act, then the parties hereto agree to appoint another arbitrator, to be mutually agreed on, to act in the place of the said Casimir Stanislaus Gzowski.

Tenth. In the event of the party of the first part ceasing to be manager of the Grand Trunk Railway of Canada, it is agreed that if he shall so desire he may assign and transfer his interest under this agreement, to any person who may succeed him in that office ; but in such case it shall be optional with the party of the second part to put an end to this agreement, upon indemnifying the party of the first part from all liability incurred by him, and this agreement shall cease and determine.

In witness thereof, the said parties to these presents have hereunto set their hands and seals, the day and year first above written.

(Signed,) W. SHANLY, [L. S.]
JNO. HAMILTON, [L. S.]

Signed, Sealed and Delivered
in presence of

(Signed,) THOMAS GALT.

APPENDIX V.

ARTICLES OF AGREEMENT had, made and fully agreed upon, this twenty-seventh day of February, in the year of our Lord 1860, between the Grand Trunk Railway Company, of the first part, and the Great Western Railway Company, of the second part.

WHEREAS it is most desirable to come to some arrangement preventing the possibility of a system of competition between the two lines, involving reduction of fares and rates; high speed of trains, and greatly increased working expenses, besides probably involving both parties to this agreement in further outlay of capital :

NOW THESE PRESENTS WITNESS that for the purpose of effecting such arrangement, and other the premises herein contained, the said parties to this agreement, of the first and second part, do, for themselves and their successors respectively covenant, declare and agree to and with the other of them, in manner as follows, that is to say :—

First. That inasmuch as the rates by the shortest route must practically govern the through rates between competing points, the through fares for passengers, and rates of freight between Detroit and Boston and Portland, *via* the Grand Trunk Railway, shall be always the same as from Detroit or Windsor to Boston or Portland, *via* the Suspension Bridge and Albany; and that the rates by the latter route shall from time to time, and at all times during the continuance of this agreement, be adopted and charged by both parties hereto.

Second. That rates and fares for through passengers and through freight to and from Detroit or Windsor, and competing or common points in the New England States, shall in like manner be the same, both *via* Suspension Bridge and Toronto.

Third. That the same principle shall be adopted in fixing the fares and rates for traffic to or from Sarnia or Port Huron, for the traffic mentioned in clauses number one and two.

Fourth. That the through fares and rates between London and Toronto, shall be the same by both lines of Railway.

Fifth. That for the purposes of the division hereafter agreed on the proportion of the rates for all through passengers and freights, by both the Grand Trunk and Great Western lines, shall be the same between Detroit or Windsor and Toronto, and Sarnia or Port Huron and Toronto, as the proportions for the time being between Detroit or Windsor or Sarnia and the Suspension Bridge, by the Great Western Railway: and that as to all through traffic going to or coming from points beyond Toronto, the entire amount, after deducting the hereinbefore mentioned proportions, shall belong to the Grand Trunk Railway.

Sixth. That Statements shall be made up and rendered monthly, by the party of the first part hereto, showing the quantity and amount received for all the through traffic passing over the Grand Trunk Railway, between Detroit and Sarnia, and Toronto, whether the same be going beyond Toronto or stopping there; also of the through traffic beyond London and Toronto stations, whether the same be going beyond Toronto or stopping there; and like Statements shall be made up monthly, by the party of the second part hereto, showing the quantity and amount received for all through traffic between Detroit or Windsor or Sarnia and Toronto, London and Toronto, and their through traffic between Detroit or Windsor or Sarnia and Suspension Bridge, going to or coming from Boston and the New England States (but not including stations on the line of the New York Central or Albany and Boston Lines, namely: the Boston and Worcester Line and the Western Road), with the exception of Boston itself.

Seventh. That each of the said parties hereto shall deduct thirty-five per cent of the amount of the aforesaid traffic, set forth in the sixth clause for the costs of carrying the same.

Eighth. That the balance of the aggregate of the through traffic above indicated, after deductions of the said thirty-five per cent, shall be divided by and between the parties hereto in the following manner, that is to say : during the first three years, three-fifths thereof to the party of the second part, and two-fifths to the party of the first part ; and during the remaining seven years of this agreement, the amount (after such deductions as aforesaid for carrying,) shall be divided equally between both parties.

Ninth. That the Books of both Companies shall be open to the inspection of each, for the purpose of verifying, if required, the accuracy of the statement rendered.

Tenth. That in order to avoid the chance of any competition arising between the two Companies, for any other traffic than that therein arranged to be divided, it is also agreed that the party of the first part shall not and will not interchange through traffic with any other line west of Hamilton, and the parties of the second part shall not and will not except for the purposes of traffic other than that the subject of division herein, under, and according to the sixth clause hereof, connect or interchange traffic with any other line west of Hamilton. And further, it is agreed that any through traffic that the parties of the first part may have at Detroit or Port Huron or Sarnia, for points not coming within the division herein arranged and agreed on, and not going east of Toronto, shall be transferred to the Great Western Railway at Guelph, and that the through rates for the same shall be divided between the said parties in the proportions following, that is to say :—Traffic from Detroit, two-thirds to the party of the first part, and one-third to the party of the second part ; and traffic from Sarnia or Port Huron, according to the mileage the same shall be carried on each line, and that the rates for all such traffic shall be always the same as from Detroit or Windsor or Sarnia to the Suspension Bridge by the Great Western Line.

Eleventh. That the said parties shall not, and neither of them will at any time during the continuance of this, enter into any arrangement with any other Railway to be made in Western Canada, which shall in any way affect this agreement, without the consent of both parties hereto ; nor enter into any arrangement with any party which shall contravene the terms of this agreement in any wise.

Twelfth. That rates to and from local points on both lines shall be fixed by arrangement between the two parties to this agreement, from time to time, so as to secure the largest receipts for the traffic carried.

Thirteenth. That when cars are interchanged between the two Companies, they shall be returned with all possible dispatch, and a reasonable sum shall be paid for each car that is off the line of the party owning it.

Fourteenth. That when the two lines join, arrangements shall be made when practicable, for working the traffic of both Companies, at one Station.

Fifteenth. That in the event of the Northern Railway of Canada remaining an independent line, the party of the first part shall not carry traffic in connection with it, at lower through rates than are charged over the lines from Toronto to Detroit and the West. And in the event of the said Northern Railway falling into the hands of the party of the first part, it shall be worked by them for the joint benefit of themselves and the party of the second part; the profit or loss to be equally divided between the said parties hereto.

Sixteenth. That in the construction of this agreement, where the word "between" is used, thus, viz: "between Detroit or Windsor and Toronto," and in all like cases, occurring where the said word "between" is so used, the same shall not be construed to include any Passenger or Freight coming from, or going to any station, point or place lying between or short of the said places named.

Seventeenth. That this agreement is declared to be and to have been in force from and since the 1st day of December now last past; and the same shall be and continue in force for the period of ten years, to be computed from the said first day of December last.

Eighteenth. That as to the through fares between Quebec or Montreal, or either of them, and Detroit or Sarnia or London, the through fares to be charged for passengers and freight between such points shall be the same both by the Grand Trunk Railway, direct, and the Great Western or Grand Trunk lines in connection with water communication from either Hamilton or Toronto, and the standard of rates from time to time adopted by the Grand Trunk Railway Company shall be taken as the standard of such rates and fares, to be charged by both Companies and their respective Agents, between the points named in this clause.

Lastly. It is understood and agreed by and between the parties hereto, that if at any time, during the continuance of this agreement, it shall be found in its operation to work unfairly or unequally, as regards either Company, the same shall and may, upon demand of either party, be re-adjusted, so as to make the same fair, equal and satisfactory in its working;—such re-adjustment, however, in no case or event to apply to section eight of this agreement, but to apply to all and every the other clauses thereof, and in the event of disagreement as to such re-adjustment, or in the event of disputes or differences at any time arising between the parties to these presents, as to the construction of this agreement, or any thing therein, or as to any matter or any thing therewith connected, that cannot be arranged and settled between themselves, the same from time to time, and so often as they shall arise, shall be referred by the parties hereto to the award and decision of one indifferent person, to be then mutually named and chosen, by and between them, if they can agree on one such person; and if they cannot agree on one such person, then each

of the said parties shall name and appoint one indifferent person to act for them in the premises, and the said two persons so named and appointed shall then, before proceeding to hear or determine the matters in difference, name and appoint a third arbitrator in the premises, and the award and decision of such one person so mutually chosen, or the award and decision of a majority of the said three persons so named and appointed as aforesaid, as the case may be in the particular matters in dispute, of and concerning the same, shall, from time to time, and at all times during the continuance of this agreement, be final and conclusive between the parties, and shall in all things, by each of them, be observed and abided by.

In Witness whereof, the Honorable John Ross, President of the Grand Trunk Railway Company aforesaid, hath herewith affixed the Corporate Seal of the said Party of the first part:—and Charles John Brydges, Managing Director of the Great Western Railway Company, hath hitherto affixed the Corporate Seal of the Party of the second part.

Quebec, 27th February, 1860.

(Signed,) JNO. ROSS,
President of the Grand Trunk Railway
Company of Canada.



Sealed by the Party of the first part,
in presence of

(Signed,) C. S. GZOWSKI.

(Signed,) C. J. BRYDGES,
Managing Director,
G. W. R. Co.



Sealed by the party of the second part,
in presence of

(Signed,) W. C. STEPHENS,
Secretary G. W. R. Co.

APPENDIX VI.

MEMORANDUM OF AGREEMENT between the Grand Trunk Railway Company of Canada and the Portland Steam Packet Company entered into this 17th day of November, 1860.

The Steam Packet Company engages to carry by its Steamers, between Portland and Boston upon the terms hereinafter recited, all goods coming or going by the route of the Grand Trunk Railway, between Boston and any places on the St. Lawrence and places west of Montreal.

The Steam Packet Company engages to have, at all times, suitable accommodation, means of transport and adequate force to receive, carry and deliver all the goods to be carried between Portland and Boston under this agreement. In case of any omission by the Steam Packet Company to forward such goods with reasonable despatch, the Railway Company is to be at liberty to supply such deficiency by other conveyance.

Until other arrangements are made for the purpose, all such goods are to be conveyed between the Steamboat Wharf and the Railway Station in Portland, in the manner now practised by agreement of these parties, and the charges of such conveyance are to be defrayed in like manner. From the time that such goods are received by the Steam Packet Company, until they are delivered in Portland to the Railway Company, or, in Boston to their proper directions, it is agreed that as between these parties, the Steam Packet Company is to assume and bear all the risks of the same, including sea risks, fire risks and whatever responsibility attaches to common carriers, and will indemnify and save harmless the Railway Company against all lawful claims and expenses of claims arising under such risks. And it is agreed that the Railway Company may make contracts for carriage of goods, and undertake to carry the same between the places above named, exempting and assuming owners, consignors and consignees of such goods from all such risks.

The Freight Money and all charges due in Boston, whether from consignees or connecting lines, are to be collected by the Steam Packet Company, and in like manner, the freight money and all charges on goods, going inland from Portland, are to be collected by the Railway Company. Such collections shall be stated in monthly accounts between the parties, and full settlements shall be made, as soon as may be practicable, after the expiration of each month. But it shall be the duty of each party, and instructions are to be given to all their respective officers, in charge of such collections, to keep constantly an approximate account, as near as may be, of the amount of such collections on either side, and of balances appearing to be due from day to day. And the party in whose hands such estimated balances may be, is to pay over the same to the other as fully and as often as may be consistent with the safety of the person paying, so as to prevent the accumulation of any considerable sum in the hands of one party belonging to the other.

In full compensation for all the services to be rendered and risks to be assumed by the Steam Packet Company under this agreement, that Company is to be allowed and shall receive, out of the collection aforesaid, the sum of one dollar and fifty cents by the ton upon all goods so carried. In all cases where goods are taken and carried by the Railway Company, at rates fixed upon actual weight, two thousand pounds shall be a ton. And in all other cases the ton shall be taken and deemed to be whatever the Railway Company, by its own rates and contracts with owners and shippers, takes and carries for a ton.

This agreement when executed in duplicate and interchanged, is to have effect as, of and from the first day of December, 1859. The signature

of the same by Walter Shanly, General Manager, in behalf of the Railway Company, and by John B. Coyle, General Agent, in behalf of the Steam Packet Company, shall be a sufficient execution.

This agreement shall continue in full for one year from the first day of April, 1860, and there afterwards from year to year. But either party, at the expiration of any such year, may give notice in writing of its intention to terminate the same, and, at the expiration of three months after such notice the same shall be terminated.

Subscribed on behalf of said parties the day and year first above written.

It is understood and agreed by the parties that this contract is not to include the carriage of Live Stock of any kind.

(Signed,)

W. SHANLEY,
General Manager, S. I. R. Co.

"

J. B. COYLE,
Gen. Agt. Portland St. Pkt. Co.

Witness,

(Signed,)

P. BARNES.

APPENDIX VII.

GRAND TRUNK RAILWAY.

STATEMENT showing Receipts for each District, distinguishing Through and Local Passengers, and Freight for Half Years ending, June 30 and December 31, 1859 and 1860.

| Half Years ending. | FREIGHT. | | | | PASSENGERS. | | | | TOTAL. | | | |
|--------------------|-------------|---------------|---------------|-----------------|---------------|------------|--------------|-----------------|---------------|-----------------|----------|---------------|
| | Tons Local. | Tons Through. | Amount Local. | Amount Through. | Amount Local. | No. Local. | No. Through. | Amount Through. | | Amount Baggage. | | |
| June 30, 1859. | 47617 1/2 | 01206 1/2 | 101023 10 | 107370 01 | 2287 03 | 25471 1/2 | 31939 1/2 | 22987 36 | 29668 30 1/2 | 300 10 1/2 | 7450 00 | 271037 82 |
| Dec. 31, 1859. | 42830 1/2 | 7697 3/4 | 107347 28 | 121664 16 | 338 20 | 40611 | 50204 1/2 | 37240 61 1/2 | 67541 7 1/2 | 207 00 1/2 | 7450 00 | 334109 86 1/2 |
| June 30, 1860. | 44872 | 90928 1/2 | 107382 64 | 162400 84 | 249 50 | 25637 1/2 | 46582 1/2 | 23707 35 1/2 | 37252 08 1/2 | 248 00 | 7450 00 | 330758 40 |
| * Dec 31, 1860. | 38088 1/2 | 105094 1/2 | 89117 87 | 170117 68 | 546 64 | 38550 | 56995 | 37044 18 | 63679 02 | 217 18 | 7450 00 | 370690 49 |
| ATLANTIC DISTRICT. | | | | | | | | | | | | |
| EASTERN DISTRICT. | | | | | | | | | | | | |
| June 30, 1859. | 67534 1/2 | 36895 1/2 | 78736 45 | 74196 47 | 2528 18 | 45918 1/2 | 7727 1/2 | 54240 34 | 18584 54 | 1150 69 | 13845 00 | 1242790 67 |
| Dec. 31, 1859. | 45790 | 53882 1/2 | 68858 67 1/2 | 92496 04 | 2963 06 | 66876 | 66876 | 83797 17 | 45358 60 | 1774 42 1/2 | 13905 00 | 309152 97 |
| June 30, 1860. | 51935 1/2 | 90856 1/2 | 51114 29 1/2 | 160667 10 | 2758 68 | 54726 1/2 | 10702 1/2 | 69099 62 | 27542 91 | 929 42 | 15729 00 | 327841 02 |
| * Dec. 31, 1860. | 55639 | 76612 1/2 | 77805 05 | 129148 35 | 3416 15 | 71754 | 19072 1/2 | 89065 61 | 533801 09 | 1095 59 | 19660 00 | 373991 84 |
| CENTRAL DISTRICT. | | | | | | | | | | | | |
| June 30, 1859. | 52318 | 24805 1/2 | 98052 23 1/2 | 95230 09 | 4343 32 | 118635 | 13204 | 182477 03 | 50564 85 | 1647 33 | 18315 00 | 450630 35 1/2 |
| Dec. 31, 1859. | 47289 | 51369 1/2 | 111769 77 | 167609 79 1/2 | 4795 35 | 125511 | 23854 1/2 | 196146 77 1/2 | 78278 16 | 1723-62 | 18315 00 | 578638 47 |
| June 30, 1860. | 63122 | 101969 | 120763 40 1/2 | 193971 10 | 5709 22 | 109712 1/2 | 17336 1/2 | 175292 01 1/2 | 68120 82 | 1466 98 1/2 | 18315 00 | 583638 54 1/2 |
| * Dec. 31, 1860. | 63448 1/2 | 68068 1/2 | 129548 62 | 277620 58 | 7101 98 | 133068 | 29322 1/2 | 216442 67 | 105888 12 1/2 | 1877 50 1/2 | 18661 00 | 757140 48 |

APPENDIX. VIII.

STATEMENT of Receipts on Line between Point Lévi and Rivière-du-Loup.

| No. of miles open. | Week ending | Passengers. | Freight. | Total | Total | Average per mile per week | REMARKS. |
|--------------------|--------------|-------------|----------|---------|----------|---------------------------|---|
| | | | | Weekly. | Monthly. | | |
| | 1859. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | |
| 101 | December 31 | 186 55 | 53 92 | 240 47 | 240 47 | | One Train each way, three times per week. |
| 101 | January... 7 | 220 96 | 29 00 | 249 96 | ..... | ..... |  |
| | 14 | 356 55 | 47 20 | 403 75 | ..... | ..... |  |
| | 21 | 236 91 | 56 59 | 293 50 | ..... | ..... |  |
| | 31 | 469 78 | 79 00 | 548 78 | ..... | ..... |  |
| | | 1284 20 | 211 79 | 1495 99 | 1495 99 | 14 81 | |
| 101 | February 4 | 162 15 | 75 50 | 237 65 | ..... | ..... |  |
| | 11 | 375 70 | 135 00 | 510 70 | ..... | ..... |  |
| | 18 | 387 80 | 53 00 | 440 80 | ..... | ..... |  |
| | 25 | 198 40 | 108 10 | 306 50 | ..... | ..... |  |
| | 29 | 279 50 | 44 43 | 323 93 | ..... | ..... |  |
| | | 1403 55 | 416 03 | 1819 58 | 1819 58 | 18 01 | |
| 101 | March... 10 | 348 40 | 184 75 | 533 15 | | | May 7, one Train each way every day, — Passenger Train one day—mixed the other. |
| | 17 | 268 68 | 119 19 | 387 87 | ..... | ..... |  |
| | 24 | 354 44 | 206 00 | 560 44 | ..... | ..... |  |
| | 31 | 321 90 | 270 00 | 591 90 | ..... | ..... |  |
| | | 1293 42 | 779 94 | 2073 36 | 2073 36 | 20 52 | |
| 101 | April..... 7 | 279 90 | 170 50 | 450 40 | ..... | ..... |  |
| | 14 | 411 02 | 437 37 | 848 39 | ..... | ..... |  |
| | 21 | 357 30 | 213 31 | 570 61 | ..... | ..... |  |
| | 30 | 625 02 | 245 10 | 870 12 | ..... | ..... |  |
| | | 1673 24 | 1066 28 | 2739 52 | 2739 52 | 27 12 | |
| 101 | May..... 5 | 334 05 | 81 90 | 415 95 | ..... | ..... |  |
| | 12 | 378 95 | 99 93 | 478 88 | ..... | ..... |  |
| | 19 | 375 97 | 179 00 | 554 97 | ..... | ..... |  |
| | 26 | 554 40 | 184 00 | 738 40 | ..... | ..... |  |
| | 31 | 681 92 | 135 30 | 817 22 | ..... | ..... |  |
| | | 2325 29 | 680 13 | 3005 42 | 3005 42 | 29 70 | |
| 101 | June..... 9 | 284 92 | 140 69 | 425 61 | | | July 2, open to Rivière-du-Loup; one Train mixed each way daily. |
| | 16 | 459 58 | 171 67 | 631 25 | ..... | ..... |  |
| | 23 | 470 63 | 153 64 | 624 27 | ..... | ..... |  |
| | 30 | 1529 33 | 149 78 | 1679 11 | ..... | ..... |  |
| | | 2744 46 | 615 78 | 3360 24 | 3360 24 | 33 27 | |

APPENDIX VIII.—(Continued.)

STATEMENT of Receipts on Line between Point Levi and Rivière-du-Loup.

| No. of miles open. | Week ending | Passengers. | Freight. | Total Weekly. | Total Monthly. | Average per mile per week | REMARKS. | |
|--------------------|-------------|-------------|----------|---------------|----------------|---------------------------|---|---|
| | 1860. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | | |
| 126 | July..... | 7 | 1089 96 | 119 47 | 1209 43 | | July 14, one Train Passenger each way daily, and one Train mixed three times per week each way. | |
| | | 14 | 1111 07 | 143 60 | 1254 67 | ..... |  |  |
| | | 21 | 1035 74 | 162 57 | 1198 31 | ..... |  |  |
| | | 28 | 1161 19 | 137 07 | 1298 26 | ..... |  |  |
| | | 31 | 375 41 | 33 93 | 409 34 | ..... |  |  |
| | | 4773 37 | 596 64 | 5370 01 | 5370 01 | 42 62 | | |
| 126 | August... | 4 | 754 40 | 96 40 | 850 80 | | | September 12, one Train mixed each way daily; and one Train mixed each way daily to St. Thomas. |
| | | 11 | 1035 88 | 153 22 | 1189 10 | ..... |  |  |
| | | 18 | 1317 18 | 107 61 | 1924 79 | Prince's Visit. | | |
| | | 25 | 1096 13 | 118 39 | 1214 52 | ..... |  |  |
| | | 31 | 874 53 | 89 96 | 964 49 | ..... |  |  |
| | | 5578 12 | 565 58 | 6143 70 | 6143 70 | 48 76 | | |
| 126 | September | 8 | 1208 35 | 122 15 | 1330 50 | | October 1, one Train mixed each way daily. | |
| | | 15 | 917 34 | 115 24 | 1032 58 | ..... |  |  |
| | | 22 | 768 27 | 169 13 | 937 40 | ..... |  |  |
| | | 29 | 852 42 | 225 70 | 1078 12 | ..... |  |  |
| | | | | 3746 38 | 632 22 | 4378 60 | | 4378 60 | 34 75 |
| 126 | October... | 6 | 780 91 | 232 29 | 1013 20 | | | October 1, one Train mixed each way daily. |
| | | 13 | 932 75 | 401 17 | 1333 92 | ..... |  |  |
| | | 20 | 940 08 | 284 79 | 1224 87 | ..... |  |  |
| | | 27 | 1031 43 | 345 71 | 1377 14 | ..... |  |  |
| | | 31 | 529 97 | 154 80 | 684 77 | ..... |  |  |
| | | 4215 14 | 1418 76 | 5633 90 | 5633 90 | 44 71 | | |
| 126 | November | 3 | 396 49 | 68 36 | 464 85 | | October 1, one Train mixed each way daily. | |
| | | 10 | 1234 23 | 305 39 | 1539 62 | ..... |  |  |
| | | 17 | 1059 48 | 402 23 | 1461 71 | ..... |  |  |
| | | 24 | 1032 03 | 451 80 | 1483 83 | ..... |  |  |
| | | 30 | 740 34 | 325 87 | 1066 21 | ..... |  |  |
| | | 4462 57 | 1553 65 | 6016 22 | 6016 22 | 47 75 | | |
| 126 | December | 8 | 599 82 | 384 92 | 984 74 | | | Grand Total.... |
| | | 15 | 360 78 | 215 82 | 576 60 | ..... |  |  |
| | | | 960 60 | 600 74 | 1561 34 | 1561 34 | | |
| | | 34646 89 | 9191 46 | | 43838 35 | | | |

Above receipts include amount collected for Ferry between Point Levi and Quebec. Navigation closed December 8.

Company assumed working of line December 17.

The Receipts for week ending December 15 cannot be given until Outstanding Freight, &c., Accounts are closed.

APPENDIX IX.

GRAND TRUNK RAILWAY COMPANY.

STATEMENT of Annual Interest and Rents, for which the Company was liable on 30th June, 1860.

(A) Annual Interest payable on Debentures 30th June, 1860.

| How payable. | DESCRIPTION. | Amount. | Rate. | Annual Interest. |
|---|--|---|----------|------------------|
| Half yearly at various dates..... | Montreal City Debentures..... | \$ 400000 00 | 6 p. ct. | \$ 24000 00 |
| 14th March & 14th September..... | British American Land Co's Debentures..... | 100000 00 | 6 p. ct. | 6000 00 |
| Do do .. | Montreal Seminary Debentures.. | 100000 00 | 6 p. ct. | 6000 00 |
| 1st June & 1st Dec. | Island Pond Debentures of St. Lawrence & Atlantic R. R. Co. | 438000 00 | 7 p. ct. | 30660 00 |
| 1st Aug. & 1st Oct. | Quebec & Richmond Debentures. | 486666 67 | 6 p. ct. | 29200 00 |
| | <i>Grand Trunk Debentures.</i> | | | |
| 1st Jan. & 1st July. | 1st Preference Debentures..... | 973333 33 | 6 p. ct. | 584000 00 |
| 1st April & 1st Oct. | * 2nd Preference Debentures.... | 4851580 01 | 6 p. ct. | 291094 80 |
| | Seven per cent Debentures : | | | |
| Do do .. | 7 per cent Debentures due 1862. | 2420344 21 | 7 p. ct. | 169424 09 |
| Do do .. | Do do 1867. | 2433333 33 | 7 p. ct. | 170333 34 |
| Do do .. | Do do 1872. | 2288212 37 | 7 p. ct. | 160174 86 |
| 1st Jan. & 1st July. | Six per cent Ordinary Debentures | 8335821 34 | 6 p. ct. | 500149 28 |
| | | 31587291 26 | | 1971036 37 |
| | <i>Provincial Debentures.</i> | | | |
| Liability of Company deferred until realization of 6 p. ct. on capital. | Issued on account of the— St. Lawrence & Atlantic Railway Quebec & Richmond Railway... Grand Trunk Railway..... | 2275166 67 1216666 66 11650800 00 | | |
| | | 15142633 33 | 6 p. ct. | |

* NOTE.—2nd Preference Debentures reduced in amount, on 31st July, 1860, to \$3510813 34
Annual interest thereon reduced to..... \$ 210648 79

APPENDIX IX.—(Continued.)

(B) Annual interest payable on Lease of Atlantic and St. Lawrence Railroad, 30th June, 1860.

| How payable. | DESCRIPTION. | Amount | Rate. | Annual Interest. |
|--------------------------------------|--|---------------|----------|------------------|
| 30th June & 31st December..... | Interest on Atlantic and St. Lawrence Stock..... | \$ 2494900 00 | 6 p. ct. | \$ 149694 00 |
| 1st May & 1st November.. .. . | Atlantic and St. Lawrence Sterling Bonds due November 1st, 1878, £100,000 sterling..... | 486666 67 | 6 p. ct. | 29200 00 |
| 1st April & 1st October..... | Atlantic and St. Lawrence Mortgage Bonds due April 1st, 1866. | 988000 00 | 6 p. ct. | 59280 00 |
| Portions of interest in each month.. | Portland City Bonds due at various periods..... | 2000000 00 | 6 p. ct. | 120000 00 |
| 28th Jan., April, July, October.. | Annuity payable to Mrs. B. Jenkins, during her life... .. | ..... | ..... | 40 00 |
| 1st March & 1st September..... | Note of Atlantic and St. Lawrence Railroad to Jane Weeks, dated 1st March, 1847, for 15 years. | 5000 00 | 6 p. ct. | 300 00 |
| | Two Notes, to Portland Marine Company, dated February 1st, 1847, for 14 and 15 years. \$1,000 each due 1st February, 1861, and 1st February, 1862. | 2000 00 | 6 p. ct. | 120 00 |
| | | \$5976566 67 | | \$ 358634 00 |

(C) Annual interest payable on Lease of Chicago, Detroit and Canada Grand Trunk Railroad, after 30th June, 1860.

| How payable. | DESCRIPTION. | Amount. | Rate. | Annual Interest. |
|--------------------------------|---------------------------|---------------|----------|------------------|
| 30th June & 31st December..... | * On Share Capital..... | \$ 1095000 00 | 8 p. ct. | \$ 87600 00 |
| Do do .. | On Debenture Capital..... | 1095000 00 | 8 p. ct. | 87600 00 |
| | | 2190000 00 | | 175200 00 |

* NOTE.—The interest payable on Share Capital to 30th June, 1860, was at 6 p. ct. From 30th June, 1860, to 30th June, 1864, by existing agreement at 8 p. cent.

From and after 30th June, 1864, to be at 6 p. cent, (but if 50 p. cent of gross earnings should be more than sufficient to pay 6 p. cent,—additional interest should be payable up to 8 p. cent.

APPENDIX IX.—(Continued.)

(D) Annual payment on account of Interest on Purchase Price of Lands taken for Point St. Charles Depot, 30th June, 1860.

| Interest payable. | From whom purchased. | Balance due. | Balance when payable. | Annual Interest. | |
|-------------------------------|---|---------------------|---|------------------|--------------------|
| | | | | Rate. | Amount. |
| 30th June & 31st Dec. . . . | Seminary of Montreal. | \$ cts. 28420 00 | In 10 years from 1st October, 1853. | 6 p. ct. | \$ cts. 1705 20 |
| 1st January & 1st July. . . . | Nuns of the Congregational Nunnery. | 22000 00 | In 5 years from 31st December, 1853. | 6 p. ct. | 1320 00 |
| Do do | Nuns of the Hôtel-Dieu | 34256 17 | 1 half, 1st Jan., 1864 } Do do 1869 } | 6 p. ct. | 2055 37 |
| Do do | Grey Nuns | 15010 00 | In 10 years from 31st December, 1853. | 6 p. ct. | 900 60 |
| | | 99686 17 | | | 5981 17 |

(E) Annual payment on account of Sundry Ground Rents on Cove property, South Quebec, 30th June, 1860.

| How payable. | To whom payable. | DESCRIPTION. | Annual Rent. |
|---------------------------------------|------------------------------|-----------------------------|-------------------|
| 1st May & 1st Nov. in advance | Thomas Samson. | Water Lot. | \$ cts. 260 00 |
| 1st May in advance | Marie L. Veilleux. | Do | 240 00 |
| Do do | Augustin Samson. | Do | 100 00 |
| Do do | Antoine Samson. | Do | 60 00 |
| 1st Oct., do | Francis Couture. | Do | 34 67 |
| 1st May, do | Ignace Roberge. | Do | 10 00 |
| 1st June, do | Joseph Lemieux. | Do | 10 00 |
| At various dates. . . . | The Crown. | Sundry Water Lots. | 572 50 |
| | | | 1287 17 |
| 1st May & 1st Nov. | Quebec Warehouse Co. | Wharf and Premises. | 2480 00 |
| | | | \$ 3767 17 |

APPENDIX IX.—(Continued.)

(F) Annual payment on account of Interest on Mortgage on Water Lots, Toronto, given by the Company to Albert Furniss, 30th June, 1860.

| How payable. | To whom payable. | Description. | Balance due. | Annual Interest. |
|---------------|---------------------|-----------------------|--------------|------------------|
| | | | \$ cts. | \$ cts. |
| 1st July..... | Albert Furniss..... | Water Lots, Toronto.. | 12000 00 | 720 00 |

(G) Annual payment on account of Interest on Mortgage on Sarnia Lands, 30th June, 1860.

| How payable. | To whom payable. | Description. | Amount of mortgage. | Rate. | Annual Interest. |
|----------------------|------------------|-------------------|---------------------|----------|------------------|
| | | | \$ cts. | | \$ cts. |
| 1st April & 1st Oct. | Gzowski & Co ... | Lands at Sarnia.. | 80000 00 | 6 p. ct. | 4800 00 |

(H) Estimated Annual interest on Loans from Bankers, &c., 30th June, 1860.

| DESCRIPTION. | Amount. | Rate. | Annual Interest. |
|-----------------------------|------------|-------------------|------------------|
| | \$ cts. | | \$ cts. |
| Loans from Bankers, &c..... | 6853681 48 | @ say 5 per cent. | 342684 07 |

(I) Estimated Annual Interest on Bills payable, and Bills of Exchange outstanding on 30th June, 1860.

| DESCRIPTION. | Amount | Rate. | Annual Interest. |
|------------------------|--------------|-------------------|------------------|
| | \$ cts. | | \$ cts. |
| Bills payable..... | 2112581 53 | @ say 5 per cent. | 105629 07 |
| Bills of Exchange..... | 362991 26 | @ say 5 per cent. | 18149 56 |
| | \$2475572 79 | | \$123778 63 |

 A P P E N D I X I X.—(Continued.)

 SUMMARY of Annual Liability of the Company for Interest and Rents,
 30th June, 1860.

| | \$ | cts. |
|---|-----------|------|
| (A.)—On Debentures..... | 1971036 | 37 |
| (B.)—On Atlantic & St. Lawrence Lease..... | 358634 | 00 |
| (C.)—On Chicago, Detroit, &c., Company's Lease..... | 175200 | 00 |
| (D.)—On Lands for Point St. Charles Depot..... | 5981 | 17 |
| (E.)—On Lands for Quebec Depot..... | 3767 | 17 |
| (F.)—On Mortgage on water lots, Toronto..... | 720 | 00 |
| (G.)—On Mortgage on Sarnia Lands..... | 4800 | 00 |
| (H.)—On Loans from Bankers, &c..... | 342684 | 07 |
| (I.)—On Bills payable & Bills of Exchange..... | 123778 | 63 |
| | <hr/> | |
| | \$2986601 | 41 |

NOTE.—With respect to the priority of the Bonds, in their several classes, the question is considered to be one for the consideration of the Law Officers of the Company.

JOSEPH ELLIOTT.

Secretary and Treasurer.

Montreal, 8th March, 1861.

APPENDIX X.
GRAND TRUNK RAILWAY COMPANY OF CANADA.

ENTIRE EXPENDITURE (as per Ledger,) from commencement of the Undertaking to 30th June, 1860, on Construction Account.

Shewing amounts paid to Grand Trunk Contractors, and amount of all other Expenditures, in form of the Published Accounts.

| | | Amount paid to G. Trunk Contractors for construction of line to 30th June, 1860. | Amount of all other expenditures on construction account, per Ledger to 30th June, 1860. | Total expenditure on construction account to 30th June, 1860. |
|---|--|--|--|---|
| | | \$ cts. | \$ cts. | \$ cts. |
| EASTERN DIVISION—362 Miles. | | | | |
| Miles. Consists of the 148 St. L. & Ad. R. R. 96 Queb. & Rich. and 118 Queb. & R. du L. R. 5 V. B. & Char. Junc. <hr/> 362 | A.—Engineering | 285238 43 | 262434 04 | 399672 47 148000 00 |
| | B.—Works and Permanent Way. | 7386771 20 | 5448212 33 | 10174279 53 2660704 00 |
| | C.—Stations, Buildings & Offices. | 528462 25 | 622109 70 | 1057935 78 92636 17 |
| | D.—Miscellaneous Stock | 21474 17 | 48807 85 | 70282 02 |
| | E.—Electric Telegraph | 100 00 | 30325 60 | 30425 60 |
| | F.—General Expenses | 65646 47 | 839948 19 | 905594 66 |
| | Lands and Land Damages | | 207462 73 | 207462 73 |
| CENTRAL DIVISION—335 Miles. | | | | |
| Miles. { Montreal to 333 Toronto, and 2 Kingston Br. <hr/> 335 | A.—Engineering | 298679 31 | 74758 11 | 373437 42 |
| | B.—Works and Permanent Way. | 13620527 82 | 719937 68 | 14340465 50 |
| | C.—Stations, Buildings & Offices. | 1402398 36 | 273387 33 | 1675785 69 |
| | D.—Miscellaneous Stock | 177 37 | 32006 62 | 32183 99 |
| | E.—Electric Telegraph | 64 95 | 24367 71 | 21432 66 |
| | F.—General Expenses | 514148 73 | 216928 81 | 731077 54 |
| | WESTERN DIVISION—190 Miles. | | | |
| Miles. Toronto to 169 Sarnia, and 21 St. Mary's to London. <hr/> 190 | A.—Engineering | 187799 65 | 31801 79 | 219601 44 |
| | B.—Works and Permanent Way | 7313205 98 | 187467 06 | 7500673 04 |
| | C.—Stations, Buildings & Offices. | 501412 28 | 186081 61 | 687493 89 |
| | D.—Miscellaneous Stock | 13840 01 | 10583 62 | 24423 63 |
| | E.—Electric Telegraph | | 13513 66 | 13513 66 |
| | F.—General Expenses | 39198 33 | 111744 31 | 150942 64 |
| | Canadian Contractors, compensation for stoppage of works | 121666 67 | | 121666 67 |
| Lands at Sarnia | | 43487 26 | 43487 26 | |
| ROLLING STOCK. | | | | |
| Locomotive Stock | | 1303162 10 | 1020441 36 | 2230163 46 93440 00 |
| Passenger Car Stock | | 261431 71 | 181867 94 | 443299 65 |
| Merchandise Car Stock | | 802788 22 | 998996 02 | 1801784 24 |
| Carried forward | | | | |

EXPENDITURE ON CONSTRUCTION ACCOUNT, &c.—Continued.

| | | Amount paid to G. Trunk Contractors for construction of line to 30th June, 1860. | Amount of all other expenditures on construction account, per Ledger to 30th June, 1860. | Total expenditure on construction account to 30th June, 1860. |
|--|--|--|--|---|
| | | \$ cts. | \$ cts. | \$ cts. |
| Brought forward | | | | |
| PORTLAND DIVISION—149 Miles. | | | | |
| Miles. 149 Atl. and St. Lwr. R. R. leased line. 149 | A.—Engineering | | 10752 35 | 10752 35 |
| | B.—Works and Permanent Way | 2767 92 | 936873 33 | 939641 25 |
| | C.—Stations, Buildings and Offices | 2328 00 | 360550 81 | 362878 81 |
| | Locomotive Stock | | 45586 88 | 45586 88 |
| | Merchandise Car Stock | | 108641 91 | 108641 91 |
| | Passenger Car Stock | | 7315 35 | 7315 35 |
| | D.—Miscellaneous Stock | | 5323 28 | 5323 28 |
| | E.—Electric Telegraph | | 9467 47 | 9467 47 |
| | F.—General Expenses | | 118641 07 | 118641 07 |
| | Lands in Portland Division | | 7666 75 | 7666 75 |
| Lease of Atl. and St. Lawrence R. R. | | 2248766 22 | 2248766 22 | |
| Victoria Bridge | | 6346133 33 | 148534 01 | 6494667 34 |
| Steam Ferry Boats and Barges | | | 274320 49 | 274320 49 |
| Miles. 59 59 | Chicago, Detroit and Canada G. T. Junction R. R. Co | | 9052 72 | 9052 72 |
| | On Works, <i>Detroit Line</i> —59 Miles. | | 41402 86 | 41402 86 |
| | Subscription to St. Lawrence Warehouse, Dock & Wharfage Co. | | 123000 00 | 123000 00 |
| | London Office Expenses | | 116086 71 | 116086 71 |
| WORKS IN PROGRESS. | | | | |
| Three Riv. and Arthabaska Branch | | | 162312 53 | 162312 53 |
| Total | | 41019423 26 | 16320966 07 | 57340389 33 |

Note.—The amount paid for construction of the "St. Thomas and River du Loup Section," placed in Half Yearly Accounts of 30th June, 1860, to "Works and Permanent Way, Eastern Division," (in the interval of obtaining the full classification,) has now been distributed as follows, leaving the total Expenditure as before:—

| | | |
|--|------------------------|------------|
| Engineering | Eastern Division. | 148000 00 |
| Works and Permanent Way do | | 2660704 00 |
| Stations, Buildings and Offices do | | 92636 17 |
| Locomotive Stock | | 93440 00 |

\$2994780 17

Note 2.—In the "Eastern Division," the amounts in second column include purchase price of the line from Montreal to Island Pond \$5,116,106 80.

Note 3.—The "Portland Division," comprising the land from Island Pond to Portland, is a leased line, as is also the "Detroit Extension."

Note 4.—The sum of \$148,534 01 ct. in the second column, against *Victoria Bridge*, was paid for engineering.

Note 5.—The payments on account of Three Rivers and Arthabaska Branch, as given above, are payments *exclusive* of the amount lodged in the hands of the Provincial Agents in London.

JOSEPH ELLIOTT,
Secretary & Treasurer G. T. R. Co.

Montreal, 25th February, 1861.

A P P E N D I X X.

Montreal, 25th February, 1861.

J. ELLIOTT, Esq.,

Secretary and Treasurer.

SIR,—I beg herewith to transmit to you four statements marked A, B, C and D, in which I endeavour to give the answer to the second part of question No. 26 and to question No. 27 of the Government Commission.

I was informed by the Secretary to the Commission that such information was only required as far as regarded expenditure from the 1st January, 1858, to the 30th June, 1860; I add to this the gross sum representing that prior to the former date, so that the total represents our whole expenditure from the commencement of the undertaking to the 30th June last.

I may further state that the sums set down represent new works not embraced in the original contracts, although beyond a doubt a portion of them went to complete and perfect work delivered by the contractors. I am not however prepared to define the amount, as it is entirely a matter of opinion upon which scarcely any two persons could agree.

You will notice several large sums opposite some of the items, these it would be impossible to analyse more minutely with the slightest degree of correctness without examining the individual accounts and pay rolls sent in between the 1st of January, 1858, and the 30th June, 1860, which I presume it is not the desire of the Commission should be done.

I beg also to enclose answers to questions No. 29 (as far as this Department is concerned) and No. 31.

I have the honor to be,

Sir,

Your most obedient servant,

A. L. TREMBICKI,

Asst. Engr.

APPENDIX X. A.

GRAND TRUNK RAILWAY.

ENGINEER DEPARTMENT.

STATEMENT shewing Expenditure on Capital Account from the 1st of January, 1858, to 30th June, 1860.

| PORTLAND DIVISION. | | \$ | cts. | \$ | cts. |
|---|--|--------|------|----|-------------|
| Engineering, &c.: | | | | | |
| Inspection of New Works..... | | 450 | 00 | | |
| Surveys of Stations, Drawings of same, Levels and Curvature of Line | | 4020 | 37 | | |
| | | | | | 4470 37 |
| Expenditure prior to 31st December, 1857..... | | | | | 6281 93 |
| | | | | | |
| Total Expenditure..... | | | | | \$10752 35 |
| Works and Permanent Way: | | | | | |
| New and Re-rolled Rails | | 167815 | 21 | | |
| New Ties..... | | 13206 | 14 | | |
| Rail Shops erected..... | | 11959 | 09 | | |
| Handling Rails and laying..... | | 21000 | 00 | | |
| Fittings & Sundry Stores for do..... | | 39000 | 00 | | |
| Miscellaneous Expenses on Rails, &c..... | | 9982 | 71 | | |
| New Tools..... | | 1200 | 00 | | |
| Bridge renewals in 1858 | | 141850 | 46 | | |
| do do in 1859 and 1860..... | | 259173 | 67 | | |
| New Culverts and Small Bridges | | 11018 | 74 | | |
| Compensation for not building Lancaster Branch..... | | 18000 | 00 | | |
| Settlement of old claims for collision at Stark | | 38103 | 26 | | |
| Sundry extra Works, Damages, &c..... | | 6158 | 24 | | |
| Ballasting..... | | 12851 | 72 | | |
| Fencing..... | | 6025 | 89 | | |
| Sundries | | 919 | 60 | | |
| | | | | | 758264 73 |
| Expenditure prior to 31st December 1857..... | | | | | 181376 52 |
| | | | | | |
| Total Expenditure | | | | | \$939641 25 |
| Stations, Buildings and Offices: | | | | | |
| Additions to Engine Houses at Portland and Island Pond..... | | 4955 | 03 | | |
| Removal of Gorham Station and additions to other Stations..... | | 3055 | 15 | | |
| Freight Sheds on Portland Wharf and additions to other Sheds | | 2572 | 04 | | |
| Tank Houses and Wood Sheds at South Paris, Bethel and Island Pond..... | | 4534 | 36 | | |
| Expenditure on Great Eastern Ocean Steam Ship and other Wharves | | 60919 | 83 | | |
| Coal Wharf, 1859 and 1860 | | 19263 | 59 | | |
| Additions to Boston Steamboat Wharf..... | | 22911 | 07 | | |
| Ocean Steam Ship Wharf..... | | 8549 | 29 | | |
| Great Eastern Wharves (principally dredging)..... | | 15134 | 25 | | |
| Miscellaneous..... | | 224 | 33 | | |
| | | | | | 142118 94 |
| Expenditure prior to 31st December, 1857..... | | | | | 220759 87 |
| | | | | | |
| Total Expenditure..... | | | | | \$362878 81 |

APPENDIX X. B.
GRAND TRUNK RAILWAY.

ENGINEER DEPARTMENT.

STATEMENT shewing Expenditure on Capital account from the 1st of January, 1856, to 30th June, 1860.

| EASTERN DIVISION. | | \$ | cts. | \$ | cts. |
|---|----------|--------|---------|----------|------|
| Engineering, &c. : | | | | | |
| Rivière-du-Loup Line | | 11824 | 35 | | |
| Branch to Victoria Bridge..... | | 461 | 81 | | |
| Special levels and curvature of Line, drawings, &c..... | | 3042 | 86 | | |
| Proportion of Chief Engineer's Salary..... | | 1311 | 60 | | |
| Miscellaneous | | 481 | 20 | 17121 | 82 |
| Amount paid to Contractors..... | | | | 1002 | 85 |
| Total from 1st January, 1858..... | | | | 18124 | 67 |
| Amount paid to Contractors to Dec. 31st, 1857..... | | 136235 | 58 | | |
| Other Expenditure, " | | 245312 | 22 | 381547 | 80 |
| Total Expenditure..... | | | | 399672 | 47 |
| Works and Permanent Way : | | | | | |
| Deficit of Stores | \$ 48260 | 09 | | | |
| Do Fuel..... | 51866 | 05 | | | |
| Compensation Longueuil Explosion..... | 51021 | 20 | | | |
| Fuel and Stores | 9523 | 20 | | | |
| Carriage of Fuel..... | 5526 | 30 | | | |
| Charons Branch..... | 57064 | 89 | | | |
| Ballasting Rivière-du-Loup Line | 10012 | 29 | | | |
| Junction with Champlain Railway..... | 2500 | 00 | | | |
| Rail renewals | 180490 | 21 | | | |
| Bridge renewals..... | 279221 | 35 | | | |
| Drainage and sundry works..... | 7600 | 74 | | | |
| Signals | 924 | 25 | | | |
| Ballasting..... | 23416 | 69 | | | |
| Fencing | 14284 | 46 | | | |
| Miscellaneous freight, &c. | 24403 | 61 | 766115 | 33 | |
| Amounts paid to Contractors, viz : | | | | | |
| Peto & Co. River-du-Loup Line..... | 2994780 | 17 | | | |
| Do Settlement | 48666 | 67 | | | |
| J. Reekie, Charrons branch..... | 74162 | 00 | 3117608 | 84 | |
| Total Expenditure from 1st January, 1858..... | | | 3683724 | 17 | |
| Expenditure prior to 31st December, 1857..... | | | 9285335 | 53 | |
| Total Expenditure..... | | | | 13169059 | 70 |

APPENDIX X. B.—(Continued.)

| EASTERN DIVISION.—Continued. | | \$ | cts. | \$ | cts. |
|---|----|--------|------|---------|------------|
| Stations, Buildings & Offices: | | | | | |
| Temporary Station St. Lambert | \$ | 252 | 13 | | |
| New station Point Lévi, &c. | | 7212 | 22 | | |
| Flour store at Longueuil | | 913 | 60 | | |
| Additions to Freight stations | | 295 | 28 | | |
| New wood shed, Longueuil | | 1134 | 07 | | |
| Wood shed and tank houses | | 1161 | 10 | | |
| Point Lévi wharves | | 110254 | 17 | | |
| Land purchases and ground rent Point Lévi | | 95815 | 07 | | |
| Miscellaneous | | 548 | 34 | 217585 | 98 |
| Expenditure prior to 31st December, 1857 | | | | 840349 | 80 |
| Total Expenditure | | | | | 1057935 78 |
| LINE FROM ST. THOMAS TO RIVIERE-DU-LOUP. | | | | | |
| Engineering | | | | 148000 | 00 |
| Works and Permanent way | | | | 2660704 | 00 |
| Stations, Buildings and Offices | | | | 92636 | 17 |
| Engines | | | | 93440 | 00 |
| Total | | | | | 2994780 17 |

APPENDIX IX. C.

| CENTRAL DIVISION. | | \$ | cts. | \$ | cts. |
|--|--|--------|------|----------|-----------|
| Engineering, &c.: | | | | | |
| Survey of Belleville and Peterboro' Railway | | 27060 | 27 | | |
| J. W. Tate's Salary superintending new works | | 4306 | 06 | | |
| Proportion of Chief Engineers' Salary | | 2773 | 76 | | |
| Kingston Branch and Duck Harbour Line | | 2210 | 19 | | |
| Plans and Instruments | | 1269 | 69 | | |
| Montreal City Extension Survey | | 722 | 50 | | |
| Taking Levels and Curvature of Line, Drawings, &c. | | 3059 | 51 | | |
| Miscellaneous | | 541 | 91 | | |
| Expenditure prior to 31st December, 1857 | | | | | 41943 89 |
| Total Expenditure | | | | | 331493 53 |
| Works and Permanent Way: | | | | | |
| Deficit of Stores | | 72390 | 14 | | |
| Do Fuel | | 77799 | 08 | | |
| Fuel and Stores | | 13269 | 64 | | |
| Kingston Branch | | 72394 | 78 | | |
| Duck Harbour Line | | 64900 | 00 | | |
| Toronto Esplanade | | 2389 | 70 | | |
| Rails for new sidings and extensions, including those for Duck Harbour | | 85181 | 00 | | |
| Bridges | | 22480 | 73 | | |
| Extra Works, including protection of Line at Duck Harbour, Port Britain and Port Union | | 107314 | 85 | | |
| Signals | | 203976 | 68 | | |
| Carried forward | | | | \$520459 | 68 |

APPENDIX X. C.—(Continued.)

| CENTRAL DIVISION.—Continued. | | \$ | cts. | \$ | cts. |
|---|-----------|----------|------|----------|------|
| Brought forward..... | 520459 68 | | | | |
| Ballasting | 66822 29 | | | | |
| Fencing | 3374 56 | | | | |
| Miscellaneous..... | 1098 55 | | | | |
| | | 591755 | 08 | | |
| Amounts paid to Contractors, viz. :— | | | | | |
| Peto & Co. Settlement | 114268 39 | | | | |
| Morton & Dickson, Kingston Branch. | 142131 27 | | | | |
| Gzowski & Co. and Peto & Co., Toronto Esplanade..... | 22722 26 | 299121 | 92 | | |
| Corporation of Toronto Esplanade | 20000 00 | | | | |
| Total Expenditure from 1st Jan'y, 1858..... | | 890877 | 00 | | |
| Expenditure prior to 31st Decr., 1857 | | 13449588 | 50 | | |
| Total Expenditure | | | | 14340465 | 50 |
| Stations, Buildings and Offices : | | | | | |
| Interest on Point St. Charles Purchase | | 8000 | 00 | | |
| Toronto Corporation, Rent for Esplanade..... | | 1756 | 16 | | |
| Hon. H. H. Killaly | | 6600 | 00 | | |
| Kingston City Wharf. | | 9680 | 69 | | |
| Point St. Charles Yard, Canal, Wharves, &c | | 3954 | 51 | | |
| Completion of Engine Houses, Kingston and Belleville, &c. | | 20007 | 15 | | |
| Additional accommodation at Passenger Stations, principally Point St. Charles..... | | 15633 | 45 | | |
| Additional accommodation at Merchandize Stations, principally Point St. Charles | | 21304 | 68 | | |
| Additional Wood Sheds and Water Tanks..... | | 11407 | 65 | | |
| House at Cobourg. | | 2100 | 00 | | |
| Refreshment Rooms at Cobourg..... | | 1393 | 53 | | |
| House at Belleville..... | | 2200 | 00 | | |
| Offices | | 3853 | 34 | | |
| Miscellaneous..... | | 1553 | 10 | | |
| Total Expenditure from 1st Jan'y., 1858..... | | | | 109444 | 26 |
| Expenditure prior to 31st Decr., 1857 | | | | 1566341 | 43 |
| Total Expenditure | | | | 1675785 | 69 |

APPENDIX IX. D.

| WESTERN DIVISION. | | \$ | cts. | \$ | cts. |
|--|---------|----|------|--------|------|
| Engineering, &c : | | | | | |
| Resident Engineer's Salary and Expenses | 6765 71 | | | | |
| Inspection of New Works | 2061 00 | | | | |
| Proportion of Chief Engineer's Salary | 4248 88 | | | | |
| Miscellaneous | 3650 20 | | | 16725 | 79 |
| Paid to Contractors (Gzowski & Co)..... | | | | 69481 | 25 |
| Total Expenditure from 1st January, 1858 | | | | 86207 | 04 |
| Expenditure prior to 31st December, 1857..... | | | | 133394 | 40 |
| Total Expenditure..... | | | | 219601 | 44 |

APPENDIX X. D.—(Continued.)

| WESTERN DIVISION—Continued. | | \$ | cts. | \$ | cts. |
|--|--|---------|------|----------------|-----------|
| Works and Permanent Way : | | | | | |
| Deficit of Stores | | 24130 | 05 | | |
| " Fuel | | 25933 | 02 | | |
| Stores and Fuel | | 4523 | 20 | | |
| Toronto Esplanade | | 784 | 75 | | |
| Rails for New Siding | | 6929 | 92 | | |
| Bridge Work | | 13146 | 64 | | |
| Extra Works to Slopes, Drainage, &c. | | 42498 | 60 | | |
| Signals | | 2057 | 63 | | |
| Freight of Materials | | 15563 | 03 | | |
| Ballasting | | 11426 | 41 | | |
| Fencing | | 545 | 19 | | |
| Miscellaneous | | 941 | 57 | 148480 | 01 |
| Amount paid to Contractors, viz :—Gzowski & Co. | | 2884996 | 11 | | |
| Corporation of Toronto | | 20000 | 00 | 2904996 | 11 |
| Total Expenditure from 1st January, 1858 | | | | 3053476 | 12 |
| Expenditure prior to 31st December, 1857 | | | | 4447196 | 92 |
| Total Expenditure | | | | 7500673 | 04 |
| Stations, Buildings and Offices. | | | | | |
| Esplanade Work | | 2781 | 90 | | |
| Wharves, Port Huron | | 50000 | 00 | | |
| " Sarnia | | 7689 | 80 | | |
| Lands and Buildings at Sarnia | | 35031 | 52 | | |
| Toronto Engine House | | 14525 | 32 | | |
| Temporary Station London | | 1325 | 85 | | |
| Additions to Passenger Stations | | 29355 | 98 | | |
| " Freight | | 8370 | 07 | | |
| Wood Sheds and Water Tanks | | 4842 | 28 | | |
| Miscellaneous | | 347 | 82 | 154270 | 54 |
| Amount paid to Contractor | | | | 173800 | 83 |
| Total Expenditure from 1st January, 1858 | | | | 328071 | 37 |
| Expenditure prior to 31st December, 1857 | | | | 359422 | 52 |
| Total Expenditure | | | | 687493 | 89 |

A. L. TREMBICKI.

25th February, 1861.

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APPENDIX (XI.)
GRAND TRUNK RAILWAY COMPANY OF CANADA.

RECEIPTS and EXPENDITURE on REVENUE ACCOUNT (per Ledger) from commencement to 30th June, 1860.

Dr.

Cr.

| | (a.) | (b.) | (c.) | (d.) | (e.) | (f.) | (g.) | (h.) | Total Revenue Charges. | | (i.) | (j.) | (k.) | (l.) | (m.) | (n.) | (o.) | Total Gross Earnings. |
|---|----------------------------------|-------------------------------------|---|--|--|--|--|---|------------------------|---|--|----------------------------------|-------------------------------------|---|--|--|--|-----------------------|
| | Portland Sect. 1854, 1855, 1856. | G. T. R. pro-per. 1854, 1855, 1856. | Portland Div. 1st Jan., 1857, to 30th June, 1860. | Eastern Div. 1st Jan., 1857, to 30th June, 1860. | Central Div. 1st Jan., 1857, to 30th June, 1860. | Western Div. 1st Jan., 1857, to 30th June, 1860. | Detroit Ext. 1st Jan., 1860, to 30th June, 1860. | Sundries. 1st Jan., 1857, to 30th June, 1860. | | | G. T. Railway, 1st Jan., 1854, to 30th June, 1860. | Portland Sect. 1854, 1855, 1856. | G. T. R. pro-per. 1854, 1855, 1856. | Portland Div. 1st Jan., 1857, to 30th June, 1860. | Eastern Div. 1st Jan., 1857, to 30th June, 1860. | Central Div. 1st Jan., 1857, to 30th June, 1860. | Western Div. 1st Jan., 1857, to 30th June, 1860. | |
| Locomotive Power..... | \$ cts. 482940 58 | \$ cts. 596974 85 | \$ cts. 525288 32 | \$ cts. 626212 53 | \$ cts. 972668 98 | \$ cts. 244074 29 | \$ cts. 26792 23 | \$ cts. | \$ cts. 3474951 78 | Passengers..... | \$ cts. 468765 84 | \$ cts. 730276 07 | \$ cts. 486800 09 | \$ cts. 696472 89 | \$ cts. 1910569 46 | \$ cts. 458291 44 | \$ cts. 23660 76 | \$ cts. 4774836 55 |
| Passenger charges..... | 83863 51 | 147669 59 | 118127 86 | 194262 50 | 346613 19 | 116643 04 | 10220 05 | ..... | 1017399 74 | Baggage..... | 846 31 | 6744 60 | 2573 98 | 9161 25 | 10014 14 | 7229 39 | 215 28 | 36784 95 |
| Merchandise charges..... | 237118 75 | 307160 38 | 377263 44 | 325764 24 | 527665 63 | 169521 98 | 21735 75 | ..... | 1966330 17 | Mail..... | 44669 93 | 91361 01 | 52150 00 | 95337 00 | 128205 00 | 44278 31 | 688 40 | 456689 65 |
| Maintenance of Way and Buildings..... | 325804 31 | 465350 57 | 561158 74 | 580846 27 | 721305 07 | 270049 14 | 14753 83 | ..... | 2939267 93 | Merchandise..... | 1043623 92 | 877413 49 | 1470518 87 | 1182960 24 | 1557055 11 | 466571 59 | 15406 98 | 6563550 20 |
| General charges..... | 39175 64 | 57608 67 | 35006 71 | 114697 96 | 186291 67 | 68580 99 | 3163 34 | ..... | 504824 98 | Expresses..... | 9035 40 | 16088 18 | 15295 15 | 18138 09 | 34306 86 | 8156 92 | 377 09 | 101397 69 |
| Telegraph charges..... | 3188 22 | 8996 90 | 12420 96 | 13053 17 | 27678 88 | 12628 74 | 1004 95 | ..... | 78971 82 | Engine and Car hire..... | 5152 49 | 7975 00 | 1354 59 | ..... | 100 00 | ..... | ..... | 14582 08 |
| Ferry Boats, Longueuil and Quebec..... | ..... | 63075 70 | ..... | 80603 09 | ..... | ..... | ..... | ..... | 143678 79 | Rents..... | 16212 32 | 6438 20 | 10831 40 | 10133 77 | 1952 97 | 483 00 | ..... | 46051 66 |
| Sarnia Ferry Boats..... | ..... | ..... | ..... | ..... | ..... | ..... | 3140 74 | ..... | 3140 74 | Telegraph Messages..... | ..... | ..... | ..... | 1690 87 | ..... | ..... | ..... | 1690 87 |
| Victoria Bridge maintenance..... | ..... | ..... | ..... | ..... | ..... | ..... | 1351 35 | ..... | 1351 35 | Permission to sell Papers..... | ..... | ..... | ..... | 123 66 | 123 66 | 123 68 | ..... | 371 00 |
| Taxes..... | 19047 82 | 5813 39 | 19129 11 | 9347 77 | 11941 99 | 9084 09 | 6291 24 | ..... | 80655 41 | Ticket Printing..... | ..... | ..... | ..... | 112 13 | 112 13 | 112 14 | ..... | 336 40 |
| Loss and Damage to Goods..... | ..... | 5702 62 | 7750 88 | 6564 10 | 14226 70 | 3781 78 | ..... | ..... | 38026 08 | Charter of Ferry Boat..... | ..... | ..... | ..... | 400 00 | ..... | ..... | ..... | 400 00 |
| Compensation and Cattle claims..... | ..... | 5809 45 | 2534 06 | 4786 01 | 7499 18 | 1830 48 | ..... | ..... | 22459 18 | Received from Great Western and Ontario, } Simcoe and Huron Companies for share } of Rent and Expenses of Union Station } | ..... | ..... | ..... | ..... | 7905 33 | 7905 32 | ..... | 15810 65 |
| Conveyance of Passengers..... | ..... | ..... | ..... | 3983 32 | 12914 09 | 894 52 | ..... | ..... | 17791 93 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Cartage, &c., of Goods..... | ..... | ..... | ..... | 9248 83 | 26688 23 | 17588 20 | 438 80 | ..... | 53964 06 | ..... | 1588306 21 | 1736296 55 | 2039524 08 | 194529 90 | 3650344 66 | 993151 79 | 40348 51 | 12012501 70 |
| American Agencies..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 110836 62 | 110836 62 | At Credit of Traffic—December 31st, 1853..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 55670 12 |
| European Agencies..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 33780 75 | 33780 75 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Ontario, Simcoe and Huron Railway for use } of Line..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 7706 95 | 7706 95 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Detroit Contract. Net charge against Re- } venue, half year ending December, 1859..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 3241 01 | 4241 01 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Rent, Detroit Line, under new agreement..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 81721 71 | 81721 71 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Grand Western Railroad on Traffic account..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 15957 74 | 15957 74 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Balance at Credit of Revenue account in Ledger..... | 119138 83 | 1664262 12 | 1658680 08 | 1969369 79 | 2855493 61 | 914677 25 | 84700 19 | 257736 87 | 10596058 74 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| | | | | | | | | | 1472113 08 | | | | | | | | | |
| | | | | | | | | | 12068171 82 | | | | | | | | | \$ 12068171 82 |



APPENDIX (X I.)—DETAILS—EXPENDITURE.—Continued.

(a.) PORTLAND SECTION—1854, 1855, 1856.

| For half years ending. | June, 1854. | | June, 1855. | | Dec., 1855. | | June, 1856. | | Dec., 1856. | | Total. | | | |
|------------------------------|-------------|-------|-------------|------|-------------|------|-------------|------|-------------|------|--------|------|---------|----|
| | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | | |
| Locomotive Power | 63427 | 95 | 71865 | 39 | 96446 | 05 | 88731 | 59 | 81080 | 10 | 78389 | 50 | 482940 | 58 |
| Passenger Charges | 11533 | 58 | 14490 | 19 | 13721 | 88 | 13123 | 52 | 13896 | 22 | 17098 | 12 | 83863 | 51 |
| Merchandise Charges | 26954 | 80 | 34446 | 03 | 42414 | 63 | 45270 | 03 | 50836 | 73 | 37196 | 53 | 237118 | 75 |
| Maintenance of Way, &c | 27963 | 95 | 40768 | 93 | 38833 | 79 | 61370 | 92 | 72404 | 32 | 84462 | 40 | 325804 | 31 |
| General Charges..... | 8233 | 60 | 4990 | 18 | 6660 | 35 | 7429 | 45 | 7345 | 13 | 4516 | 93 | 39175 | 64 |
| Telegraph Charges..... | ..... | ..... | 448 | 28 | 544 | 15 | 643 | 28 | 1011 | 92 | 540 | 59 | 3188 | 22 |
| Taxes ..... | ..... | ..... | 6475 | 79 | 116 | 30 | 6106 | 13 | 12 | 20 | 6337 | 40 | 19047 | 82 |
| Total | 138113 | 88 | 173434 | 79 | 198737 | 15 | 222674 | 92 | 229586 | 62 | 228541 | 47 | 1191138 | 83 |

APPENDIX (XI.) — DETAILS — EXPENDITURE.—Continued.

(b.) GRAND TRUNK PROPER—1854, 1855, 1856.

| For half years ending. | June, 1854 | | Dec., 1854 | | June, 1855 | | Dec., 1855 | | June, 1856 | | Dec., 1856 | | Total. | |
|--------------------------------------|------------|-------|------------|-------|------------|------|------------|------|------------|------|------------|------|---------|------|
| | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. |
| Locomotive Power | 61566 | 45 | 50577 | 93 | 97294 | 02 | 105098 | 90 | 122055 | 65 | 160381 | 90 | 596974 | 85 |
| Passenger Charges | 11993 | 37 | 15605 | 48 | 22663 | 57 | 27997 | 33 | 28811 | 15 | 40598 | 69 | 147669 | 59 |
| Merchandise Charges | 31652 | 35 | 47731 | 82 | 54827 | 80 | 49837 | 02 | 52544 | 88 | 70667 | 01 | 307260 | 38 |
| Maintenance of Way, &c. | 36281 | 83 | 30644 | 30 | 64756 | 87 | 80706 | 82 | 99791 | 42 | 153169 | 33 | 465350 | 57 |
| General Charges | 1845 | 17 | 3470 | 45 | 6710 | 40 | 11376 | 72 | 13674 | 77 | 20531 | 16 | 57608 | 67 |
| Telegraph Charges ..... | ..... | ..... | 670 | 07 | 1545 | 43 | 1815 | 68 | 1738 | 23 | 3227 | 49 | 8996 | 90 |
| Taxes ..... | ..... | ..... | ..... | ..... | 1900 | 32 | 1371 | 93 | 864 | 50 | 1676 | 64 | 5813 | 39 |
| Loss and Damage to Goods | 537 | 70 | 2292 | 98 | 263 | 98 | 159 | 02 | 765 | 72 | 1683 | 22 | 5702 | 62 |
| Compensation and Cattle Claims | 1005 | 00 | 967 | 87 | 411 | 37 | 231 | 00 | 371 | 00 | 2823 | 21 | 5809 | 45 |
| Ferry Boats | 1563 | 00 | 14183 | 63 | 5119 | 57 | 17466 | 75 | 7956 | 20 | 16786 | 55 | 63075 | 70 |
| Total | 146444 | 87 | 166144 | 03 | 255493 | 33 | 296061 | 17 | 328573 | 52 | 471545 | 20 | 1664262 | 12 |

(c.) PORTLAND DIVISION, 1st January, 1857, to 30th June, 1860.

| For half years ending. | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|-------------------------------------|-------------|-------|-------------|------|-------------|------|-------------|------|-------------|------|-------------|------|-------------|------|---------|------|
| | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. |
| Locomotive Power | 95612 | 57 | 85176 | 65 | 63995 | 01 | 65451 | 22 | 74782 | 89 | 64313 | 46 | 75956 | 52 | 525288 | 32 |
| Passenger Charges..... | 18359 | 20 | 16526 | 23 | 16146 | 20 | 14756 | 49 | 16403 | 51 | 17643 | 06 | 18293 | 17 | 118127 | 86 |
| Merchandise Charges..... | 57668 | 33 | 51431 | 72 | 51495 | 44 | 42702 | 86 | 51585 | 75 | 56119 | 67 | 66259 | 67 | 377263 | 44 |
| Maintenance of Way, &c..... | 91873 | 59 | 76601 | 02 | 7086 | 76 | 149286 | 06 | 73911 | 65 | 83052 | 03 | 79347 | 63 | 561188 | 74 |
| General Charges..... | 3820 | 30 | 6246 | 69 | 3689 | 78 | 4998 | 96 | 3960 | 32 | 7172 | 50 | 5118 | 17 | 35006 | 71 |
| Telegraph Charges..... | 1447 | 83 | 1991 | 05 | 1782 | 91 | 1234 | 71 | 1885 | 60 | 1918 | 85 | 2160 | 01 | 12420 | 96 |
| Taxes..... | 13 | 88 | 6421 | 10 | 21 | 15 | 6013 | 36 | 14 | 23 | 6639 | 80 | 5 | 59 | 19129 | 11 |
| Loss and Damage to Goods..... | 95 | 95 | 1502 | 78 | 3922 | 06 | 903 | 23 | 414 | 46 | 240 | 83 | 671 | 57 | 7750 | 88 |
| Compensation and Cattle Claims..... | ..... | ..... | 192 | 00 | 1338 | 86 | 456 | 50 | 150 | 00 | 296 | 70 | 100 | 00 | 2534 | 06 |
| Total..... | 268891 | 65 | 246089 | 23 | 149478 | 17 | 285803 | 39 | 233108 | 41 | 237396 | 90 | 247912 | 33 | 1658680 | 08 |

APPENDIX XI.—DETAILS—EXPENDITURE.—(Continued.)

(d) EASTERN DIVISION.—1st January, 1857, to 30th June, 1860.

| For half years ending | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|--|-------------|-------|-------------|-----|-------------|-----|-------------|-------|-------------|-----|-------------|-----|-------------|-----|---------|-----|
| | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. |
| Locomotive Power..... | 105093 | 72 | 80390 | 32 | 89116 | 21 | 79416 | 65 | 81912 | 52 | 83825 | 72 | 106457 | 39 | 626212 | 53 |
| Passenger Charges..... | 31042 | 45 | 27858 | 41 | 28273 | 28 | 25232 | 07 | 27735 | 12 | 28850 | 73 | 25770 | 44 | 194262 | 50 |
| Merchandise Charges..... | 45846 | 33 | 42127 | 81 | 50470 | 71 | 43990 | 93 | 47643 | 06 | 48439 | 64 | 47245 | 76 | 325764 | 24 |
| Maintenance of Way..... | 108949 | 62 | 80188 | 67 | 44577 | 54 | 97374 | 49 | 72502 | 08 | 103099 | 39 | 74154 | 48 | 580846 | 27 |
| General Charges..... | 19259 | 20 | 17499 | 00 | 18218 | 54 | 19347 | 84 | 12941 | 00 | 15703 | 78 | 11728 | 60 | 114697 | 96 |
| Telegraph Charges..... | 1706 | 60 | 1053 | 35 | 1833 | 65 | 1901 | 18 | 1777 | 12 | 2168 | 83 | 2612 | 44 | 13053 | 17 |
| Taxes..... | 737 | 90 | 453 | 10 | 566 | 37 | 2199 | 30 | 597 | 80 | 3783 | 77 | 1009 | 53 | 9347 | 77 |
| Ferry Boats, Longueuil and Québec..... | 14724 | 23 | 15109 | 22 | 9362 | 54 | 15446 | 68 | 10058 | 47 | 14830 | 99 | 1070 | 96 | 80603 | 09 |
| Loss and Damage to Goods..... | 958 | 93 | 1244 | 27 | 1538 | 84 | 823 | 14 | 478 | 07 | 64 | 23 | 1456 | 62 | 6564 | 10 |
| Compensation and Cattle Claims..... | 1121 | 93 | 160 | 00 | 601 | 04 | ..... | ..... | 429 | 27 | 2058 | 40 | 415 | 37 | 4786 | 01 |
| Conveyance of Passengers..... | ..... | ..... | 957 | 88 | 1496 | 97 | 317 | 60 | 88 | 44 | 1058 | 41 | 64 | 02 | 3983 | 32 |
| Carriage, &c., of Goods..... | 357 | 60 | 1539 | 93 | 2523 | 44 | 603 | 47 | 761 | 72 | 1476 | 24 | 1986 | 43 | 9248 | 83 |
| Total..... | 329798 | 51 | 268581 | 96 | 248579 | 13 | 286653 | 36 | 256924 | 67 | 304860 | 13 | 273972 | 04 | 1969369 | 79 |

(e) CENTRAL DIVISION.—1st January, 1857, to 30th June, 1860.

| For half years ending | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|-------------------------------------|-------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-----|---------|-----|
| | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. |
| Locomotive Power..... | 159212 | 51 | 167149 | 73 | 147765 | 22 | 93794 | 23 | 112507 | 96 | 121962 | 43 | 170276 | 90 | 972668 | 98 |
| Passenger Charges..... | 53961 | 96 | 47748 | 00 | 52865 | 29 | 45704 | 46 | 46241 | 78 | 46364 | 31 | 53727 | 39 | 346613 | 19 |
| Merchandise Charges..... | 69621 | 45 | 72573 | 95 | 83797 | 12 | 63668 | 13 | 69598 | 01 | 75421 | 80 | 93045 | 17 | 527665 | 63 |
| Maintenance of Way..... | 103946 | 50 | 75297 | 14 | 96099 | 85 | 128262 | 32 | 100122 | 81 | 121092 | 00 | 96484 | 45 | 721305 | 07 |
| General Charges..... | 25903 | 23 | 30169 | 60 | 29863 | 46 | 32348 | 79 | 20437 | 90 | 23830 | 05 | 23738 | 64 | 186291 | 67 |
| Telegraph Charges..... | 4740 | 70 | 4784 | 52 | 4406 | 88 | 3332 | 61 | 3311 | 80 | 3227 | 71 | 3874 | 66 | 27678 | 88 |
| Taxes..... | 196 | 30 | 1284 | 30 | 886 | 18 | 4914 | 58 | 644 | 78 | 4869 | 40 | Cr. 353 | 55 | 11941 | 99 |
| Loss and Damage to Goods..... | 3545 | 17 | 1959 | 03 | 2308 | 26 | 397 | 15 | 1962 | 30 | 1141 | 54 | 2913 | 25 | 14226 | 70 |
| Compensation and Cattle Claims..... | 2870 | 55 | 1148 | 97 | 901 | 46 | 140 | 80 | 1310 | 88 | 296 | 17 | 830 | 75 | 7499 | 18 |
| Conveyance of Passengers..... | 1179 | 10 | 3761 | 61 | 2245 | 47 | 3846 | 56 | 804 | 75 | 948 | 55 | 128 | 05 | 12914 | 09 |
| Cartage, &c., of Goods..... | 2504 | 85 | 4020 | 30 | 3785 | 15 | 3305 | 68 | 6844 | 86 | 2254 | 54 | 3972 | 85 | 26688 | 23 |
| Total..... | 427682 | 32 | 409897 | 15 | 424924 | 44 | 379715 | 31 | 363727 | 33 | 400908 | 50 | 448638 | 56 | 2855493 | 61 |

APPENDIX XI.—DETAILS—EXPENDITURE—(Continued.)

(f) WESTERN DIVISION.—1st January, 1857, to 30th June, 1860.

| For half years ending | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|-------------------------------------|-------------|-----|-------------|-----|-------------|-----|-------------|-------|-------------|-----|-------------|-------|-------------|-----|--------|-----|
| | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. |
| Locomotive Power..... | 30723 | 42 | 33047 | 21 | 27170 | 10 | 19886 | 05 | 29505 | 77 | 32638 | 36 | 72103 | 38 | 244074 | 29 |
| Passenger Charges..... | 10143 | 50 | 12184 | 93 | 12857 | 21 | 17673 | 66 | 17493 | 78 | 20610 | 52 | 25709 | 44 | 116643 | 04 |
| Merchandise Charges..... | 13692 | 21 | 17543 | 54 | 18885 | 53 | 21209 | 74 | 24175 | 15 | 30448 | 11 | 43567 | 70 | 169521 | 98 |
| Maintenance of Way..... | 32333 | 92 | 24702 | 53 | 32190 | 22 | 37592 | 99 | 44577 | 80 | 49332 | 31 | 49319 | 37 | 270049 | 14 |
| General Charges..... | 9888 | 45 | 9630 | 44 | 9722 | 22 | 10289 | 42 | 7333 | 57 | 9338 | 79 | 12877 | 80 | 68580 | 99 |
| Telegraph Charges..... | 1109 | 45 | 1153 | 72 | 1555 | 38 | 2180 | 10 | 1850 | 14 | 2144 | 63 | 2635 | 32 | 12628 | 74 |
| Taxes..... | 221 | 70 | 2922 | 10 | 546 | 93 | 1705 | 32 | 301 | 03 | 3270 | 50 | 116 | 51 | 9084 | 09 |
| Loss and Damage to Goods..... | 88 | 95 | 459 | 62 | 769 | 42 | 81 | 60 | 712 | 28 | 213 | 29 | 1456 | 62 | 3781 | 78 |
| Compensation and Cattle Claims..... | 507 | 12 | 489 | 40 | 300 | 52 | ..... | ..... | 76 | 25 | 41 | 81 | 415 | 38 | 1830 | 48 |
| Conveyance of Passengers..... | 70 | 50 | 7 | 50 | 748 | 49 | ..... | ..... | 4 | 00 | ..... | ..... | 64 | 03 | 894 | 52 |
| Cartage, &c., of Goods..... | 27 | 80 | 1577 | 40 | 1261 | 72 | 2920 | 23 | 4429 | 28 | 5885 | 34 | 1986 | 43 | 17588 | 20 |
| Total..... | 98307 | 02 | 103668 | 39 | 106007 | 74 | 118539 | 11 | 129459 | 35 | 153423 | 66 | 210251 | 98 | 914677 | 25 |

(g.) DETROIT EXTENSION—1st January to 30th June, 1860.

| | June, 1857. | Dec., 1857. | June, 1858. | Dec., 1858. | June, 1859. | Dec., 1859. | June, 1860. | Total. |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------|
| | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. |
| For half years ending. | | | | | | | | |
| Locomotive Power..... | | | | | | | 26792 23 | 26792 23 |
| Passenger Charges..... | | | | | | | 10220 05 | 10220 05 |
| Merchandise Charges..... | | | | | | | 21735 75 | 21735 75 |
| Maintenance of Way..... | | | | | | | 14753 83 | 14753 83 |
| General Charges..... | | | | | | | 3463 34 | 3463 34 |
| Telegraph Charges..... | | | | | | | 1004 95 | 1004 95 |
| Taxes..... | | | | | | | 6291 24 | 6291 24 |
| Cartage, &c., of Goods..... | | | | | | | 438 80 | 438 80 |
| Total..... | | | | | | | 84700 19 | 84700 19 |

APPENDIX XI.—DETAILS—EXPENDITURE.—(Continued.)

(b) SUNDRIES.—1st January, 1857, to 30th June, 1860.

| For half years ending | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|--|-------------|-------|-------------|-------|-------------|-------|-------------|-------|-------------|-------|-------------|-------|-------------|-------|--------|-------|
| | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. |
| American Agencies | 10769 | 87 | 22437 | 38 | 6441 | 16 | 21679 | 52 | 10722 | 60 | 19814 | 40 | 18971 | 69 | 110836 | 62 |
| European Agencies ..... | ..... | ..... | 15408 | 39 | 6513 | 07 | 2374 | 56 | 4294 | 66 | 1873 | 62 | 3316 | 45 | 33780 | 75 |
| Victoria Bridge Maintenance..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 1351 | 35 | 1351 | 35 |
| Ontario, Simcoe and Huron Railway for use of Line..... | 3304 | 75 | ..... | ..... | 3276 | 17 | 1126 | 03 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |
| Net charges against Revenue on Detroit Contract No. 1..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 3241 | 01 | ..... | ..... | 3241 | 01 |
| Rent of Detroit Line under new agreement..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 81721 | 71 | 81721 | 71 |
| Sarnia Ferry Boats..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 3140 | 74 | 3140 | 74 |
| Great Western Railway on Traffic account..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 15957 | 74 | 15957 | 74 |
| Total..... | 14074 | 62 | 37845 | 77 | 16230 | 40 | 25180 | 11 | 15017 | 26 | 24929 | 03 | 124459 | 68 | 257736 | 87 |

DETAILS—RECEIPTS.

At Credit of Traffic—in Ledger—December 31, 1853..... \$55670 12

(c) PORTLAND SECTION—1854, 1855, 1856.

| Half years ending | June, 1854. | | Dec., 1854. | | June, 1855. | | Dec., 1855. | | June, 1856. | | Dec., 1856. | | Total. | |
|--------------------------|-------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-----|---------|-----|
| | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. |
| Passengers..... | 58304 | 38 | 95180 | 03 | 65749 | 78 | 98040 | 88 | 60343 | 89 | 91146 | 88 | 468765 | 84 |
| Baggage..... | 94 | 64 | 132 | 25 | 181 | 23 | 123 | 03 | 119 | 30 | 195 | 86 | 846 | 31 |
| Mails..... | 7450 | 00 | 7450 | 00 | 7419 | 93 | 7450 | 00 | 7450 | 00 | 7450 | 00 | 44669 | 93 |
| Merchandise..... | 137471 | 85 | 153938 | 29 | 171542 | 09 | 191751 | 35 | 197344 | 15 | 191576 | 19 | 1043623 | 92 |
| Expenses..... | 1491 | 99 | 1857 | 76 | 1421 | 50 | 1421 | 15 | 1421 | 50 | 1421 | 50 | 9085 | 40 |
| Engine and Car Hire..... | 669 | 57 | 1366 | 44 | 1195 | 07 | 612 | 66 | 970 | 83 | 337 | 92 | 5152 | 49 |
| Rents..... | 2624 | 95 | 2616 | 65 | 2641 | 90 | 2937 | 93 | 2633 | 47 | 2757 | 42 | 16312 | 32 |
| Total..... | 208107 | 38 | 262541 | 42 | 250151 | 50 | 302337 | 00 | 270283 | 14 | 294855 | 77 | 1588306 | 21 |

APPENDIX XI.—DETAILS—RECEIPTS.—(Continued.)

(d) GRAND TRUNK PROPER.—1854, 1855, 1856.

| Half years ending | June, 1854. | | Dec., 1854. | | June, 1855. | | Dec., 1855. | | June, 1856. | | Dec., 1856. | | Total. | |
|---------------------------|-------------|-----|-------------|-----|-------------|-------|-------------|-------|-------------|-------|-------------|-------|---------|-----|
| | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. |
| Passengers | 40831 | 43 | 75690 | 27 | 74498 | 30 | 128396 | 38 | 118587 | 34 | 292512 | 35 | 730276 | 07 |
| Baggage | 238 | 93 | 302 | 21 | 1181 | 75 | 2676 | 01 | 1311 | 80 | 1083 | 90 | 6744 | 60 |
| Mails | 7785 | 00 | 8800 | 38 | 13065 | 00 | 15003 | 37 | 20332 | 00 | 26375 | 26 | 91361 | 01 |
| Merchandise | 91133 | 17 | 135090 | 18 | 130017 | 72 | 160612 | 61 | 150969 | 67 | 209590 | 14 | 877413 | 49 |
| Expenses | 943 | 77 | 1620 | 45 | 2205 | 31 | 2664 | 35 | 2907 | 70 | 5746 | 60 | 16088 | 18 |
| Engine and Car Hire | 2850 | 00 | 5125 | 00 | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 7975 | 00 |
| Rents | 571 | 65 | 254 | 15 | 1004 | 28 | 1940 | 27 | 1405 | 90 | 1261 | 95 | 6438 | 20 |
| Total | 144113 | 95 | 226882 | 64 | 221972 | 36 | 311292 | 99 | 295514 | 41 | 536520 | 20 | 1736296 | 55 |

(b) PORTLAND DIVISION,—1st January, 1857, to 30th June, 1860.

| Half years ending | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|-------------------------------|-------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-------|-------------|-------|-------------|-----|---------|-----|
| | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. |
| Passengers | 61003 | 89 | 91927 | 14 | 46812 | 53 | 78664 | 16 | 52650 | 67 | 94782 | 26 | 60959 | 44 | 486800 | 09 |
| Baggage | 889 | 66 | 455 | 13 | 226 | 83 | 246 | 54 | 300 | 15 | 207 | 66 | 248 | 59 | 2573 | 98 |
| Mails | 7450 | 00 | 7450 | 00 | 7450 | 00 | 7450 | 00 | 7450 | 00 | 7450 | 00 | 7450 | 00 | 52150 | 00 |
| Merchandise | 198993 | 57 | 199556 | 28 | 175214 | 35 | 199015 | 68 | 208389 | 97 | 229249 | 64 | 259799 | 38 | 1470518 | 87 |
| Engine and Car Hire | 312 | 59 | 214 | 95 | 203 | 22 | 374 | 33 | ..... | ..... | ..... | ..... | 249 | 50 | 1354 | 59 |
| Rents | 2687 | 33 | 1821 | 50 | 2043 | 60 | 1684 | 75 | 1233 | 33 | 734 | 15 | 626 | 74 | 10831 | 40 |
| Expresses | 1421 | 50 | 2000 | 10 | 2666 | 08 | 2488 | 00 | 2247 | 03 | 2420 | 89 | 2051 | 55 | 15295 | 15 |
| Total | 272758 | 56 | 303725 | 10 | 234616 | 61 | 289923 | 46 | 272271 | 15 | 334844 | 00 | 331385 | 20 | 2039524 | 08 |

APPENDIX XI.—DETAILS—RECEIPTS.—(Continued.)

(L.) EASTERN DIVISION—1st January, 1857, to 30th June, 1860.

| Half years ending | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|---------------------------------|-------------|-------|-------------|-------|-------------|-------|-------------|-------|-------------|-------|-------------|-------|-------------|------|---------|------|
| | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. |
| Passengers | 86659 | 93 | 124775 | 87 | 70642 | 54 | 115771 | 37 | 72824 | 88 | 129155 | 77 | 96642 | 53 | 696472 | 89 |
| Baggage | 792 | 91 | 1518 | 39 | 980 | 99 | 2005 | 42 | 1159 | 69 | 1774 | 43 | 929 | 42 | 9161 | 25 |
| Mails | 13065 | 00 | 13113 | 00 | 13115 | 00 | 13065 | 00 | 13345 | 00 | 13905 | 00 | 15729 | 00 | 95337 | 00 |
| Merchandise | 177641 | 78 | 154987 | 14 | 144029 | 50 | 130232 | 80 | 152932 | 92 | 161354 | 71 | 211781 | 39 | 1132960 | 24 |
| Expenses | 2359 | 71 | 2857 | 25 | 2033 | 22 | 2637 | 99 | 2528 | 18 | 2963 | 06 | 2758 | 68 | 18138 | 09 |
| Rents | 1823 | 50 | 1637 | 87 | 1210 | 45 | 1360 | 18 | 1739 | 30 | 981 | 34 | 1481 | 13 | 10133 | 77 |
| Telegraph Messages ..... | ..... | ..... | ..... | ..... | ..... | ..... | 351 | 50 | 347 | 31 | 542 | 06 | 450 | 00 | 1690 | 87 |
| Permission to sell Papers ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 58 | 33 | 33 | 33 | 32 | 00 | 123 | 66 |
| Ticket Printing ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 112 | 13 | 112 | 13 |
| Charter of Ferry Boat ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 400 | 00 | 400 | 00 |
| Total | 282342 | 83 | 298889 | 52 | 232011 | 70 | 265324 | 26 | 244935 | 61 | 310709 | 70 | 330316 | 28 | 1964529 | 90 |

CENTRAL DIVISION—1st January, 1857, to 30th June, 1860.

| Half years ending | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|---|-------------|--------|-------------|--------|-------------|--------|-------------|--------|-------------|--------|-------------|--------|-------------|--------|--------|---------|
| | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. |
| Passengers | 296 | 257 36 | 334 | 871 17 | 245 | 560 25 | 283 | 001 03 | 233 | 041 88 | 274 | 424 93 | 243 | 412 84 | 191 | 0569 46 |
| Baggage | 11 | 92 56 | 15 | 00 44 | 10 | 08 55 | 14 | 74 16 | 16 | 47 83 | 17 | 23 62 | 14 | 66 98 | 10 | 014 14 |
| Mails | 18 | 15 00 | 18 | 15 00 | 18 | 15 00 | 18 | 15 00 | 18 | 15 00 | 18 | 15 00 | 18 | 15 00 | 18 | 15 00 |
| Merchandise | 168 | 138 04 | 194 | 146 44 | 219 | 964 01 | 187 | 410 23 | 193 | 282 32 | 279 | 379 57 | 314 | 734 50 | 155 | 7055 11 |
| Expenses | 52 | 48 56 | 54 | 64 47 | 41 | 66 48 | 45 | 79 46 | 43 | 43 32 | 47 | 95 35 | 57 | 09 22 | 34 | 306 86 |
| Engine and Car hire | | | | | | | | | 100 | 00 | | | | | 100 | 00 |
| Rents | 12 | 00 | 12 | 00 | 114 | 00 | 106 | 50 | 169 | 16 | 325 | 65 | 1213 | 66 | 1952 | 97 |
| Permission to sell Papers | | | | | | | | | 58 | 33 | 33 | 33 | 32 | 00 | 123 | 66 |
| Received for Rent and Expenses of Union Station | | | | | | | | | 3073 | 96 | 2179 | 29 | 2652 | 08 | 7905 | 33 |
| Ticket Printing | | | | | | | | | | | | | 112 | 13 | 112 | 13 |
| Total | 489 | 163 52 | 554 | 309 52 | 489 | 128 29 | 494 | 886 38 | 454 | 031 80 | 581 | 176 74 | 587 | 648 41 | 365 | 0344 66 |

(m.)

APPENDIX XI. — DETAILS — RECEIPTS.—(Continued.)

(n.) WESTERN DIVISION—1st January, 1857, to 30th June, 1860.

| Half years ending | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|--|-------------|------|-------------|------|-------------|------|-------------|------|-------------|------|-------------|------|-------------|------|--------|------|
| | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. | \$ | cts. |
| Passengers | 66497 | 80 | 66477 | 28 | 50950 | 26 | 64614 | 97 | 55780 | 27 | 64360 | 12 | 89610 | 74 | 458291 | 44 |
| Baggage | 774 | 11 | 1147 | 38 | 744 | 57 | 1086 | 21 | 1199 | 03 | 1096 | 75 | 1181 | 34 | 7229 | 39 |
| Mails | 4840 | 00 | 4840 | 00 | 4840 | 00 | 5736 | 87 | 6600 | 00 | 6916 | 44 | 10505 | 00 | 44278 | 31 |
| Merchandise | 40377 | 50 | 44151 | 13 | 51491 | 16 | 68901 | 43 | 50736 | 04 | 74439 | 37 | 136474 | 96 | 466571 | 59 |
| Expenses | 1121 | 59 | 1292 | 64 | 957 | 93 | 1033 | 72 | 1071 | 76 | 1178 | 47 | 1500 | 81 | 8156 | 92 |
| Rents | | | 47 | 50 | 28 | 00 | 20 | 00 | 35 | 50 | 36 | 50 | 315 | 50 | 483 | 00 |
| Permission to sell Papers | | | | | | | | | 58 | 34 | 33 | 34 | 32 | 00 | 123 | 68 |
| Ticket Printing | | | | | | | | | | | | | 112 | 14 | 112 | 14 |
| Received for Rents and Expenses of Union Station | | | | | | | | | | | | | 3073 | 95 | 7905 | 32 |
| Total | 113611 | 00 | 117955 | 93 | 109011 | 92 | 141393 | 20 | 118554 | 89 | 150240 | 28 | 242384 | 57 | 993151 | 79 |

(o) DETROIT EXTENSION. — 1st January, 1857, to 30th June, 1860.

| Half years ending | June, 1857. | | Dec., 1857. | | June, 1858. | | Dec., 1858. | | June, 1859. | | Dec., 1859. | | June, 1860. | | Total. | |
|-------------------|-------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-----|-------------|-----|--------|-----|
| | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. | \$ | ct. |
| Passengers | | | | | | | | | | | | | | | 23660 | 76 |
| Baggage | | | | | | | | | | | | | | | 215 | 28 |
| Mails | | | | | | | | | | | | | | | 688 | 40 |
| Merchandise | | | | | | | | | | | | | | | 15406 | 98 |
| Expenses | | | | | | | | | | | | | | | 377 | 09 |
| Total | | | | | | | | | | | | | | | 40348 | 51 |

JOSEPH ELLIOTT,
Secretary and Treasurer, G. T. R. Co.

Montreal, 25th February, 1861.

APPENDIX

STATEMENT of Expenses of the Lake Ontario Express and Royal Mail

| | New York | North'ner. | Kingston. | Passport. | Champion | Banshee. | New Era. | Jny. Lind. |
|----------------|----------|------------|-----------|-----------|----------|----------|----------|------------|
| | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. |
| Outfit account | 774 01 | 820 00 | 988 34 | 778 38 | 1147 44 | 912 06 | 930 98 | 2354 19 |
| Expense " | 1921 18 | 1564 11 | 1729 75 | 930 03 | 1196 60 | 805 53 | 768 12 | 303 31 |
| Provision " | 3299 80 | 2638 75 | 2639 65 | 2158 12 | 2001 44 | 2350 23 | 2542 48 | 912 69 |
| Crew " | 5172 36 | 4873 00 | 4475 88 | 4846 83 | 3733 12 | 4214 39 | 4039 34 | 1624 18 |
| Fuel " | 8891 32 | 8239 72 | 4966 59 | 5582 95 | 3814 36 | 4780 62 | 4072 82 | 1862 29 |
| Tolls " | ..... | ..... | 93 80 | 142 22 | 96 98 | 112 53 | 101 55 | 11 72 |
| Charter " | 7500 00 | 7500 00 | 4000 00 | 4000 00 | 4000 00 | 4000 00 | 4000 00 | ..... |
| | 27561 67 | 25635 58 | 18894 01 | 18438 53 | 15989 94 | 17175 36 | 16455 29 | 7068 38 |

Dr.—Profit and Loss Account of the Lake Ontario Express

| | | | | |
|------------------------------------|----------|---------|------------|------------|
| To loss on Steamer "New York"..... | \$ cts. | 5219 64 | \$ cts. | |
| Do do "Northerner"..... | 7930 55 | | | |
| Do do "Kingston"..... | 1077 36 | | | |
| Do do "Passport"..... | 4261 26 | | | |
| Do do "Champion"..... | 5994 62 | | | |
| Do do "Banshee"..... | 5167 40 | | | |
| Do do "New Era"..... | 6373 41 | | | |
| Do do "Jenny Lind"..... | 2826 74 | | 38851 00 | |
| To Insurance Account..... | 7516 57 | | | |
| To interest do..... | 757 61 | | | |
| To Office Expenses..... | 268 79 | | | |
| To General Expense Account..... | 27885 03 | | 36428 00 | |
| | | | \$75279 00 | |
| To Balance brought down..... | | | | \$70709 62 |

XII.

Line Steamers, season 1860, viz. :

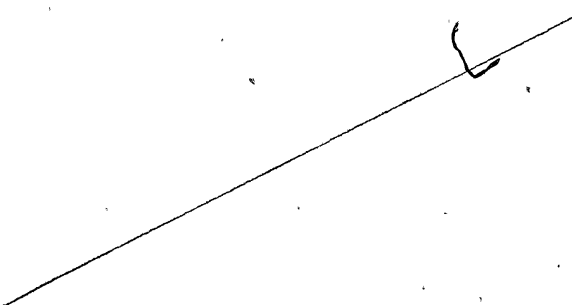
| | New York | North'ner. | Kingston. | Passport. | Champion | Banshee. | New Era. | Juy. Lind. |
|---------------|----------|------------|-----------|-----------|----------|----------|----------|------------|
| | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. |
| Freight acct. | 1514 36 | 1106 26 | 1572 21 | 2225 58 | 1694 95 | 1885 14 | 1869 25 | 740 40 |
| Passage " | 20827 67 | 16598 77 | 16244 44 | 11951 67 | 8300 37 | 10122 82 | 8212 63 | 3501 24 |
| | | | | | | | | |
| Balance Loss. | 22342 03 | 17705 03 | 17816 65 | 14177 25 | 9995 32 | 12007 96 | 10081 88 | 4241 64 |
| | 5219 64 | 7930 55 | 1077 36 | 4261 28 | 5994 62 | 5167 40 | 6373 41 | 2826 74 |
| | 27561 67 | 25635 58 | 18894 01 | 18438 53 | 15989 94 | 17175 36 | 16455 29 | 7068 38 |

Copy.

J. HARDMAN.

and Royal Mail Line Steamers, season 1860.

Cr.

| | | |
|--|--------------------|------------|
| By Balance at Cr. of Profit and Loss account..... | \$ cts. 4569 38 | \$ cts. |
| Do carried down | 70709 62 | |
|  | | |
| | | \$75279 00 |

Copy.

J. HARDMAN.

APPENDIX XIII.

GRAND TRUNK RAILWAY.

STATEMENT of Traffic subject to division, under the agreement between the Grand Trunk and Great Western Railway Companies, from the 1st December, 1859, to the 31st December, 1860.

| | Total Receipts. | Working Ex- penditures, 35 per cent. | Net amount for division. | Great Western Proportion, 3-5ths. | Grand Trunk Proportion, 2-5ths. | Balance due Great Wes- tern Rail- way. |
|---|-----------------|--|-----------------------------|---|---------------------------------------|---|
| | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. |
| Grand Trunk Railway Passenger Traffic..... | 39961 24 | 13986 42 | 25974 82 | 15584 89 | | |
| Great Western Railway Passen- ger Traffic..... | 42696 46 | 14943 75 | 27752 71 | | 11101 07 | 4483 82 |
| Grand Trunk Railway Freight Traffic..... | 69001 34 | 24150 47 | 44850 87 | 26910 52 | | |
| Great Western Railway Freight Traffic..... | 59371 51 | 20780 03 | 38591 48 | | 15436 60 | 11473 92 |
| Balance June 30 | | | | | | 15957 74 |
| Grand Trunk Railway Passenger Traffic..... | 51325 43 | 17963 89 | 33361 54 | 20016 93 | | |
| Great Western Railway Passen- ger Traffic..... | 44861 75 | 15701 60 | 29160 15 | | 11664 06 | 8352 87 |
| Grand Trunk Railway Freight Traffic..... | 90018 00 | 31506 29 | 58511 71 | 35106 82 | | |
| Great Western Railway Freight Traffic..... | 61830 51 | 21640 67 | 40189 84 | | 16071 25 | 19035 57 |
| Balance Dec. 31..... | | | | | | 27388 44 |

J. HARDMAN,

Auditor.

Audit Office,
Montreal, 24th January, 1861.
Montreal, 1st May, 1861.

APPENDIX XIV.

GRAND TRUNK RAILWAY OF CANADA.
GENERAL MANAGER'S OFFICE,
MONTREAL, 23rd Nov., 1860.

T. E. BLACKWELL, Esq.,
Managing Director,
Grand Trunk Railway.

SIR,

I have the honor to report on the traffic and working of the Line for the year ending 30th June, 1860.

The road was opened in its entire length on the 21st November, last year, and the number of miles worked since that date is comprised in the following divisions :--

| | |
|-------------------------------|-------------|
| Detroit to Port Huron | 59 Miles. |
| Sarnia to Portland | 794 " |
| Richmond to Quebec | 96 " |
| London Branch | 21 " |
| | Total 970 " |

| | |
|---|--------|
| The extent of road open at the date of last Report was .. | 880 " |
| Increased mileage during year ending 30th June, 1860 .. | 90 " |
| The average number of miles worked in the half-year ending 31st December, 1859, was | 895 " |
| And in the whole year ending 30th June, 1860 | 932½ " |

| | |
|---|-------------------------|
| The total Receipts for the year have been | \$ cts. 2,909,053 69 |
| And the total expenses | 2,413,773 55 |

Net earnings \$495,280 14

The receipts are made up as follows :

| | |
|-------------------------------|-------------------------|
| From Passengers | \$ cts. 1,077,009 39 |
| " Baggage | 8,843 47 |
| " Mails | 99,273 84 |
| " Merchandise | 1,682,620 50 |
| " Expresses | 23,755 12 |
| " Car and engine hire | 249 50 |
| " Rents, &c. | 16,309 51 |
| " Telegraph messages | 992 06 |
| | Total \$2,909,053 69 |

And the working expenses consist of:

| | \$ | cts. | \$ | cts. |
|--|---------|------|----------------------|------|
| In Locomotive department | 754,326 | 39 | | |
| “ Car do. | 289,335 | 89 | | |
| | | | 1,043,662 | 28 |
| “ Maintenance of permanent way | | | 671,986 | 84 |
| “ Traffic department, viz:-- | | | | |
| On Passenger account | 153,889 | 04 | | |
| “ Freight | 285,747 | 45 | | |
| “ Telegraph | 21,747 | 40 | | |
| “ Ferry | 19,042 | 69 | | |
| “ Damages and cattle claims | 12,612 | 53 | | |
| “ Carriage of passengers and mails to and from stations | 2,263 | 06 | | |
| “ Cartage of goods, do. | 17,500 | 63 | | |
| “ Agencies in United States | 38,786 | 09 | | |
| “ “ Europe | 5,190 | 07 | | |
| “ General expenses, salaries, Audit Office, rents, &c. | 61,217 | 43 | | |
| Loss on Detroit Section in 1859 | 3,241 | 01 | | |
| | | | 621,237 | 40 |
| General charges, Secretary's department, law expenses, &c. | | | 51,754 | 24 |
| Taxes | | | 25,132 | 79 |
| | | | Total \$2,413,773 55 | |

The half-yearly receipts and expenditure compare as follows:--

| | \$ | cts. |
|--|-------------|------|
| RECEIPTS--- | | |
| Half-year ending 31st December, 1859 | 1,387,200 | 18 |
| “ “ 30th June, 1860 | 1,521,853 | 51 |
| Total | \$2,909,053 | 69 |
| EXPENDITURE--- | | |
| Half-year ending 31st December, 1859 | 1,121,518 | 22 |
| “ “ 30th June, 1860 | 1,292,255 | 33 |
| Total | \$2,413,773 | 55 |

The expenses of the LOCOMOTIVE and CAR DEPARTMENT--

| | | |
|--|---------|----|
| On first Half-year (895 miles open) were | 434,696 | 54 |
| And on second “ (970 “ “) “ | 608,965 | 74 |

The Expenses of MAINTENANCE OF WAY---

| | | |
|---------------------------------|---------|----|
| On first half-year were | 356,575 | 73 |
| Second “ “ | 315,411 | 11 |

The Expenses of the TRAFFIC DEPARTMENT--

| | | |
|---|---------|----|
| On the first half-year were | 284,159 | 87 |
| “ Second “ “ | 337,077 | 53 |
| Other Expenses on the first half-year were .. | 46,086 | 08 |
| “ “ second “ “ .. | 30,800 | 95 |

| | | |
|--|----|----|
| The average cost of working the line per mile per week for first half-year was | 48 | 19 |
| And on second half-year | 51 | 24 |
| The average cost per mile per week for the whole year | 49 | 73 |

| | | |
|--|-------------|----|
| The Gross Receipts as above, for year ending 30th June, 1860, were | \$2,909,053 | 69 |
| And for year ending 30th June, 1859, they were | \$2,281,320 | 75 |
| Increase in 1859.60 over 1858.9 | \$627,732 | 94 |

| | | |
|--|-------------|----|
| The Expenditure as above, for year ending 30th June, 1860, was | \$2,413,773 | 55 |
| And for the previous year it was | \$2,079,128 | 29 |
| Increase of Expenditure in 1859-60 over that in 1858-9 | \$334,644 | 26 |

Percentage of increase in Receipts for 1859-60 over 1858-9=27½ per cent.

Percentage of increase in Expenditure for 1859-60 over 1858-9=16¼ per cent.

The general depression which had pervaded all branches of commerce on this continent, since 1857, still continued to be felt, and, of course, still continued to exercise an injurious influence on railway traffic, until the abundant harvest of this year began to be gathered in. In common with all other carriers we are *now* profiting largely from the bountiful crop with which the country has been blessed this season. The benefits accruing to us, however, from that source of general rejoicing have no bearing whatever on the increase in our receipts for the year ending 30th June last, as the products of the field did not begin to find their way to market until September.

Statement A herewith shows comparative receipts under every denomination of our traffic for three years past, commencing 30th June, 1857, and ending 30th June 1860, and proves that our business is growing in a very much more rapid ratio than our expenses are increasing.

Tables are also annexed, showing in detail the number of foreign and local passengers carried during the year, and the number of tons of foreign and local freight transported.

| | |
|--|------------|
| The local passengers number | \$587,637½ |
| Against, in the previous year. | 564,653 |
| The foreign passengers | 102,185 |
| Against, in the previous year | 88,148½ |

| | |
|--|---------------|
| And the average receipt per passenger has been .. | Nearly \$1,57 |
| The average of the previous year having been | 1,46½ |
| The number of tons of local freight transported during the | |
| year was | 529,285½ |
| And of foreign freight | 93,685¾ |

The management of this Railway is constantly charged by the public and the press of the country with grasping at and fostering the *foreign* freight business, to the neglect of the *local*. In other words we stand charged with neglecting or not understanding our own interests ; for every person, at all conversant with railway business, knows, that its local traffic is the best paying traffic a road can have. In refutation of this charge, since self-interest will not be accepted as a guarantee for our giving the people of the Province our best attention first, before going abroad to seek for business, I would point to the above figures, showing that our foreign tonnage for the year ending 30th June last, did not amount to one-sixth part of our total tonnage---that is to say, for every ton of merchandise carried for foreigners we carried upwards of six and a half tons for our own people ; and when the accounts for the current half-year come to be presented, it will be still more conclusively proved that the managers of the Grand Trunk Railway are not so blind to the interests of the Company as to give an undue preference to that class of business which yields the smallest profit.

I have thought it advisable to allude to the foregoing question at length, because it is one that is attracting a great deal of attention in the country, and may, perhaps, yet be brought under the notice of the Legislature ; so strong is the current of popular belief that the Railway is used more to the benefit of foreigners than to that of the people of the Province. It is not easy to stay a popular prejudice, and if facts supported by figures will not do it, nothing else can.

Under the freight agreement of 9th June, 1859, between this Company and the Great Western Railway Company there is an apparent balance due to the latter, for half-year ending 30th June, of \$15,957 74

That amount has not been included under expenditure, as it seems to me that it should rather be made a charge against net profits, if, in the true construction of the agreement, any sum whatever be due. It cannot, at all events, be fairly added to working expenses.

The traffic of the Detroit and Port Huron section has not yet answered the expectations that were formed of it. You are aware from my former report on this subject of the several causes which, in my judgment, operate against the local traffic of that line. To the *through* traffic of the Grand Trunk Railway the Detroit and Port Huron section is, however, an indispensable adjunct ; but, for reasons hereinafter given, we are not now taking of that class of business one-third of what is offering, and, as a consequence that portion of our road is not worked to any thing like its full carrying capacity.

In point of allignment, gradients and completeness of construction generally, it stands first among the several sections of the Grand Trunk Railway, and when supplied with a proper equipment can be worked at a lower cost per mile than any other part of the Line.

Previous to 30th June last, we had neither engines nor cars of our own on the Detroit section, but were wholly dependent for the working of the Line on hired rolling stock, which, of course, added very much to our working expenses, as plant of that description cannot be hired at rates representing merely the interest on its value. Even now we do not own in engines and cars suited to the 4' 8½" gauge more than one-third of a full equipment.

The total number of persons permanently employed in the traffic department, according to returns of 30th June, was---

| | | | |
|---|----|----|------|
| Classified as follows : | .. | .. | 1086 |
| General manager's and goods manager's offices | .. | .. | 7 |
| Audit office | .. | .. | 20 |
| District superintendents.. | .. | .. | 4 |
| Conductors of passenger trains | .. | .. | 29 |
| Baggagemen do. do. | .. | .. | 26 |
| Ditto at stations | .. | .. | 31 |
| Conductors of freight trains | .. | .. | 70 |
| Brakemen | .. | .. | 160 |
| Switchmen | .. | .. | 119 |
| Station agents | .. | .. | 140 |
| Ditto porters | .. | .. | 270 |
| Freight clerks | .. | .. | 53 |
| Train hands at terminal stations | .. | .. | 76 |
| Employed in ferry service | .. | .. | 13 |
| Telegraph operators | .. | .. | 63 |
| Lost freight and baggage department | .. | .. | 5 |
| | | | 1086 |
| Total | .. | .. | 1086 |

The average wages paid to passenger train conductors are 50 dols. per month; to freight train conductors, from 40 dols. to 45 dols.; baggagemen on trains receive 35 dols. and brakemen 30 dols. per month; station agents are rated at from 300 dols. to 700 dols. per annum, according to the class of station; and porters are paid by the day, their wages varying from sixty cents up to one dollar. As far as possible, telegraph operators are required to act as ticket sellers also, and they are paid at rates ranging from 25 dols. to 40 dols. per month.

The very large increase in our business for the last two months has of course, necessitated certain additions to the foregoing list of *employés*. These additions are nearly altogether in the hands required to work the freight trains, as it is in that branch of our traffic that the improvement has taken place, and, unfortunately, an increase in freight transportation

implies additions to working expenses. Our passenger receipts, which must always decline on the approach of winter, could be doubled with scarcely any increase of expense.

I will now touch upon the traffic from the end of the last half-year to the present time.

Statement A, already referred to, brings down the comparison of receipts, from all sources, from the 30th June to the 10th November in the present year :—

| | dols. | cts. |
|---|-------|------|
| For the year ending the 30th June, the average receipts per mile per week were— | 59 | 49 |
| For the 19 weeks commencing 1st July and ending 10th November, the average has been | 70 | 10 |

You will observe a very large increase in the receipts from passengers—upwards of 35 per cent. over the average of 1859-60 : and yet the “pleasure travel” tending northward the past summer has been very far below the average, as all the hotel-keepers, and others interested in that paying class of travel, can testify. The fact of the “Great Eastern” having gone to New-York, instead of, as had been promised and expected, making Portland her port of arrival on this side, diverted a great deal of travel from our line. Large numbers of Americans who would have visited Montreal, Quebec and the “White Mountains,” had there been no such extraordinary attraction to New-York, were lost to us altogether. And the announcement, long before H. R. H. the Prince of Wales had landed in Canada, that he was also to visit the principal places in the west and south-west of the United States, as well as the great cities on the Atlantic coast, kept numbers at home who otherwise would have made their usual annual tour to the Lakes and the St. Lawrence. The great fact is, that our regular, legitimate passenger business is steadily on the increase along the whole length of the line, while the agreement entered into last summer, between ourselves and the Express Line of Steamers on Lake Ontario and the River, has, beyond all question, added largely to our receipts : enabling us to keep up our full rates of fare between Montreal and Toronto, and giving us the whole of the passenger business between Kingston and Toronto : the boats, under the terms of the agreement, being prevented from touching at any of the way ports between those latter points.

The Steamer accounts have not yet been fully rendered ; but they will undoubtedly show a considerable deficit of receipts as compared with expenses : one half of which will have to be borne by this Company, and placed as an offset against our gain from the obvious advantages pointed out above. The result of this season’s business also goes to show that in fair competition the Steamers cannot make head against the Railway.

Immigration to and through Canada, though still very far below what it was in and previous to 1857, shows a fair increase this last season over

the previous year. Statement B, herewith, obtained from the chief emigrant agent of the province, exhibits the total arrivals in the country, by way of Quebec, from 1857 to 1860, inclusive, and by reference to the Emigrant column in Schedule A, it will be seen that our increase of receipts from that class of travel has been very rapid indeed, being in the proportion of 86 to 36, comparing this year with last, or about 140 per cent. advance : the actual increase in the influx of immigrants to the province being scarcely more than 15 per cent. for the season just come to a close, as compared with the season of 1859. In fact, we have taken nearly the whole of the Emigrant business this year : a result to which our agreement with the Steamers has contributed in no small degree.

It has not unfrequently been charged upon us by a portion of the press of the country, that, for the sake of the present gain derivable from carrying the emigrant *through*, over the whole length of the line, our agents endeavour to influence him to pass onwards to the Western States, instead of encouraging him to remain in the province. The allegation as no foundation in fact ; simply because it happens that, in this instance at all events, our patriotism and our interests are pleasingly in unison. The "Through" emigrant does not, as a general thing, contribute a larger sum to our immediate traffic receipts, than the intending settler in the province—going to Western Canada, for instance—does, and so far from influencing passengers to go beyond the province, all the Company's efforts both here and in England for years past, have been to induce the emigrant to remain in the province, and part of the labours of the London Office during the last five years has been the distribution of nearly a million of pamphlets, maps and circulars of information representing Canada, as the most-desirable field for the emigrant.

In order to enable the St. Lawrence route, and our Railway in connection therewith, to compete with New-York and its railways, we are compelled to carry westward-bound emigrants at New-York rates ; which, of course—ours being the longest route—gives us a much less rate per mile than the American lines obtain from the same class of travel. The same causes do not operate against our *local* emigrant business : from it we obtain *local* rates, paying us so much better than the *through* rate, that it is better for us, even in view of immediate profit, to keep the emigrant in the province than to pass him on to our neighbours. To the permanent profit represented by the bone and sinew of an actual settler, I, speaking both as a Canadian and in Grand Trunk Railway interests, am as fully alive as our American neighbours are ; and they it is, not the Grand Trunk Railway agents, who endeavour to entice the emigrant away from Canada on his landing at Quebec ; for they have *their* agents always on the alert—at the very portals of our door.

With reference to the "through-booking" system from Europe, I may add that nine-tenths of all who come to us in that way are of the class above referred to as "actual settlers," "booked through" to places in Canada.

Since the securing of the large crop of the past season a great improvement has set in in our Freight traffic. There is now more agricultu-

ral merchandise offering than we have the means of carrying : the deficiency of means being principally in rolling stock, and, under that denomination, chiefly in the article of covered freight cars.

With a full equipment of cars and engines, and with proper appliances for handling and storing grain, in bulk, at Toronto, Kingston, Montreal, and Portland, there would now be scarcely any other limits to the business we could do than are imposed by the limited capacity of a single-line road, and by the very small amount of shipping to be counted on at Portland.

I have no desire to speak disparagingly of the commercial importance of that city, but truth compels me to say that as the terminus of a great railway it has so far signally failed in fulfilling the expectations that were formed of it. The Grand Trunk Railway has done, or is doing, for Portland, all that can reasonably be expected of it, but the enterprise of its citizens has never yet taken a direction tending to secure to their magnificent harbour a great Transatlantic trade : such a trade as a great trunk railway must have, or prove a great commercial failure. Boston, not Portland, now stands to us in the relation of our Atlantic terminus, for the bulk of our merchandise traffic, and that it is so to our loss will be manifest from the fact that we can get no higher rates for carrying to the former place than to the latter; because Boston can only be reached by us in competition with shorter routes. In fact the rates we get to and from Boston are less than we should get to and from Portland, by what we have to pay to foreign companies for carrying our freights between those places.

The vessels of the Montreal Steamship Company form a weekly Transatlantic line to Portland in the winter; but, saving a sugar-laden schooner "now and again" from the West Indies, any other ocean ship rarely ruffles the waters of that harbour; and I must confess that the one blank in the future of the Grand Trunk Railway which I see not clearly the way to fill, is in the lethargic condition of Portland.

It is but right I should here observe, however, that there seems just now to be a dawning of better days for Portland. A large block of store-houses, and an extensive wharf, are in course of construction (a *Canadian* undertaking), which, when completed, will, to the extent of their capacity, be a guarantee of so much more paying traffic for the road. As I write these lines, too, a large sailing ship—"The Queen of the Lakes," owned or chartered by a Montreal house--has arrived there to take in a cargo of 40,000 bushels of Canadian wheat, which I am now arranging to send down.

Other Montreal houses, besides the one above referred to, propose bringing vessels engaged in Transatlantic trade to Portland this winter; but, as matters now are, the number of ships of that class that can load or discharge there at one time is almost limited to the extent of wharfage which we ourselves possess. Aside from it the city does not boast of more than two wharves adapted to the reception of large ocean ships. We can accommodate three conveniently in the existing state of our premises. The

wharves constructed for the "Great Eastern" could, at no great expense, be altered so as to receive four more; and I would strongly recommend that that alteration should be ordered to be made, and put in hand as soon as circumstances will permit. In their present form, the "Great Eastern" wharves are not exactly suited for ordinary vessels.

I have above referred to the want of sufficient equipment to enable us to do all the business that is offering. So short are we of engines and freight cars, that though the foreign traffic from the West has for the last two months been all but abandoned, to the great injury of the Detroit and Port Huron section of the line, the local business in Canada is also very far from being properly served.

The following is a statement of our Rolling Stock, brought down to the present time:—

STATEMENT OF ROLLING STOCK ON GRAND TRUNK RAILWAY,—PROPER.

Gauge 5 feet 6 inches.

| | |
|--|------|
| Passenger engines | 80 |
| Freight | 132 |
| | |
| Total Engines | 212 |
| | |
| Passengers carriages, first class | 92 |
| Do. do., second class | 49 |
| Do. do., composite | 2 |
| Baggage and post office cars | 58 |
| | |
| Total cars for passenger and mail services, &c. .. | 201 |
| | |
| Covered freight cars | 1625 |
| Open do. do. | 1068 |
| Cattle cars | 51 |
| Brake vans | 34 |
| | |
| Total cars for freight service | 2778 |
| | |
| Ballast waggons | 133 |
| Snow ploughs | 34 |
| | |

ON DETROIT AND PORT HURON SECTION.

Gauge 4 feet 8½ inches.

| | |
|--------------------------------------|----|
| Engines | 5 |
| Passenger cars, first class | 4 |
| Do. do., second class | 2 |
| Baggage and post office cars | 2 |
| Covered freight cars | 40 |
| | |

Tabular statement C, herewith, exhibits the relative proportions existing between EARNINGS, WORKING EXPENSES and EQUIPMENT on eight of the leading railways of this continent, and reference to it will show that, with one exception, we are, of all these roads, the worst provided with engines and cars; while all persons conversant with the working of railways will be ready to concede that a long line like ours, having a stretch of 853 miles between its extreme terminal points (Detroit and Portland) ought to have a larger equipment, mile for mile, than the road of one-half or one-third the length, in order to be on an equal footing to earn an equal sum per mile at equal cost. Return or westward-bound freights are always very much less in quantity on American lines than freights eastward. And on our own road the difference between tonnage up and tonnage down is very wide indeed; and, as a consequence, the long back haulage of empty cars not only prevents us from using them *as often* as the shorter road can use its plant, but also adds immensely to working expenses in comparison with earnings.

To take one or two instances from the statement (C) referred to above: The plant of this Railway is in the proportion of—

One engine to every $4\frac{1}{2}$ miles of roads; and to every single mile of road $2\frac{7}{10}$ freight cars.

The Great Western of Canada has an engine to each $3\frac{2}{3}$ miles of line, and to every mile $3\frac{1}{10}$ freight cars, nearly.

The Michigan Central has an engine for every $3\frac{1}{2}$ miles of the length worked, and to each mile of road $3\frac{3}{4}$ cars.

Comparing us with the Great Western on the above figures, and allowing nothing for the greater mileage proportion of plant which our greater length entitles us to, we ought to have—

| | | |
|--|---------|------|
| Of engines | .. .. . | 247 |
| We actually have | .. .. . | 216 |
| Wanting | .. .. . | 31 |
| And for freight cars we should have | .. .. . | 3286 |
| Our whole present stock being | .. .. . | 2778 |
| Wanting | .. .. . | 508 |
| Instituting a similar comparison between us and the Michigan Central Line, we are found to be wanting in engines | .. .. . | 61 |
| Cars | .. .. . | 846 |

For the present it might be sufficient, or, at least, it would be a very great assistance, if the *minimum* deficiency shown above were made good to us; but it is quite obvious that the *maximum* numbers of cars and en-

gines arrived at by the latter of the two comparisons is absolutely wanting to enable us to earn as large an income, per mile per annum, as is earned by the road from which the comparison is deduced.

I have instanced in particular those two lines, the "Great Western of Canada" and the "Central of Michigan," in endeavouring to illustrate our present inability to do as much business as we should be doing, or to do what we are doing as well as it should be done, because, in many respects their characteristics and the nature of their traffic exhibit a certain parallelism to our own, while their earnings approach nearer to what we must have, and their working expenses to what ours must be, than do those of any other of the railways quoted.

Besides our wants in the several articles of "plant," enumerated above, we are also very much straightened for the means of working the grain trade to advantage. There is but one granary and grain elevator on the line (at Sarnia), and until we have its fellow at some point towards the other extremity of the road it can be made but little use of; for the unloading of our cars at the large grain markets, such as Toronto, Montreal and Portland, entails far more expense on us than the loading at the stations where it first reaches the railway. The almost total absence of proper facilities for handing grain, in bulk, at Montreal, has pressed heavily upon us and upon the merchant for the last few months; and their total absence at Portland will operate most prejudicially on our working expenses and on his, at that point, all winter.

There should be elevators, with storage attached, capable of containing 200,000 bushels of grain, at Toronto, Montreal, Kingston and Portland; more shed room for general merchandize is also required at all those points, but more particularly at the two former; and at many points along the line there is deficiency of "Siding" room, to the extent of about five miles in all.

The completion of the "St. Lawrence Dock and Wharfage Company's" wharves at Pointe Levi, and the extension, as formerly contemplated, of our own premises there, also, would prove highly advantageous to our traffic during that moiety of the year when our principal communication with the ocean is by way of the St. Lawrence. It is at Montreal, however, that means for facilitating the interchange of traffic between the shipping and the railways is, and will always continue to be, most essential.

It is as a freight carrying road that the Grand Trunk Railway is destined to hold a first place among the great highways of the North American Continent. For passenger traffic it cannot hope to vie with the shorter avenues to the great centres of population on the Atlantic sea-board—Boston, New York, Philadelphia and Baltimore. To our merchandize traffic, then, we must mainly look for swelling our earnings to the point required to make the undertaking pay; and, unfortunately, as once already observed in this Report, with increase of freighting business inevitably comes increase of working expenses in a very much more rapid ratio than follows on increase of passenger travel. It is, therefore, almost if not fully as

essential to our success to keep down expenses as to get receipts up--ends that cannot be simultaneously compassed, or real economy effectually practised, unless the road be furnished with ample and suitable mechanical appliances for handling, storing and moving those bulky commodities--flour, grain and such like--which will always constitute our principal articles of transportation.

There are two main causes which operate prejudicially on our freight traffic. The one (already herein alluded to) is the difficulty of obtaining a fair balance between freights downwards and freights upwards; the other is the necessity we are under of carrying our freights, both ways, at less than fair rates.

| | |
|--|--------------|
| Our total tonnage for year ending 30th June last was .. | 622971 tons. |
| Of which the return or westward bound portion from our four principal "ports of entry"--Quebec, Montreal, Portland and Boston--amounted to | 105872 tons. |

These comparative figures do not look very encouraging; but, notwithstanding, a comparison of the "back loading" we have carried in each year of the three ending 30th June last, shows that we are gradually gaining ground in that source of our revenue, as in others:—

| | |
|---|-------------|
| In the year ending 30th June, 1858, the "return" tonnage from the extreme points above named amounted to .. | 76860 tons. |
| In the year ending 30th, June, 1859, to | 97875 " |
| And in that closing 30th June last, to | 105872 " |

That we are also steadily making way in the carrying of upward bound merchandize against our old established opponents, and keen competitors--the river and lake forwarders--may be gathered from an examination of statement D. herewith, exhibiting our progress in upward tonnage from Montreal during the four past seasons of navigation, including that just now drawing to a close. It will there be seen that from 7,445 tons sent west from here in 1857, the trade has gone on regularly increasing until it has, this season, reached the respectable figure of 20,979 tons.

That this result was to have been brought about without considerable sacrifice of rates it would have been in vain to expect, running as we do, for 500 miles on a stretch parallel to and for the greater part of the way within sight of the finest internal navigation in the world. We carry from here to Toronto, and to all points between here and Toronto, and beyond it, at very low rates indeed.

But it is not only as against the St. Lawrence that we have to submit to carrying merchandize into the interior at very low figures: for Boston business, for instance, to this city and all points in Canada, west of Montreal, we are in competition with shorter lines of communication, and must accept such rates as the shortest will carry for. Then, again, to encourage a trade between New York and Portland (by sea) in merchandize for

Montreal, Quebec, and intermediate points, we have to put our charges down pretty nearly to the *minimum* point below which Railways cannot go and live.

I have already herein stated, I think, that apart from the business done there in winter by the ships of the "Montreal Ocean Steam-Ship Company," the principal importation trade direct to Portland is in the article of sugar from the West Indies. That trade is growing, and Portland may yet import all, or nearly all, the sugar used in Canada. We, however—so important is it for us to foster foreign trade to Portland—have heretofore had to carry the sugar at rates that I would rather not see quoted in print.

The *whole* business of Portland during the two last winters shows a very favourable comparison between tonnage *to* and tonnage *from* there—the latter, including, however, that from Boston, standing to the former in the proportion of one to two, nearly—though the ocean steamers have rarely ever arrived in with a full cargo. With some resident importers, with more shipping, and more foreign commerce, Portland would stand to the Grand Trunk Railway in the same relation that New York does to the New York Central Road.

Last year's comparison of upward freights from the four principal eastern points above instanced, shows as under:—

| | |
|----------------------------------|-------------------|
| From Boston and Portland | 72,212 tons. |
| “ Quebec | 4,309 “ |
| “ Montreal | 29,351 “ |
| | <u> </u> |
| | Total 105,872 “ |

On downward freights our rates are also injuriously affected by competition with the water. For the last eight or nine weeks we have been carrying immense quantities of the products of the country, at rates that as "local rates" are more favourable to the producer, or the buyer, than those levied by any other railway of note in America. The "New York Central" and "New York and Erie" lines have, doubtless, to compete with the water craft of the Erie Canal for as many months in the year as we are troubled by the St. Lawrence; but with this difference, that *their* adversary is really a *canal* navigation, 300 miles in length, highly tolled, and adapted for small boats only, whilst ours is made up of 300 miles of one of the great rivers of the world, having of that distance scarce ten per cent. of canal "improvement,"—and that, too, ship-canal—and of 200 miles of lake, as free of navigation as the ocean.

Our autumn tariffs on the great bulk of our freights from Western Canada have scarcely averaged one and one-half cent. (about three-fourths of a penny sterling) per ton per mile. We should have had two cents, which, though no more than fairly remunerative, would have made a difference of, perhaps, ten thousand dollars in our weekly receipts. But what could we do? The fleet of steamers on the lake and river is almost

as numerous as it ever was, and as the Railway has obtained nearly the whole business in passengers, the owners now turn their attention more than ever to competing with us in the transportation of the heavy down freights, which the numberless way-ports in close proximity to our stations enable them to do without entailing upon the farmer or the country-merchant more than nominal additional cartage.

With the two modes of transport, side by side, thus open to him, the buyer of "produce" is not slow to take advantage of his right of choice, to our manifest disadvantage: and, during the season of navigation, he, not we, may be said to "fix the rates."

I have already mentioned that of "through" or "foreign" freight business we are doing but little at present: just enough to keep alive the connection with our far-western customers. The amount of that class of traffic now offering is very large, and at rates which, comparing the cost of carrying it with the necessarily greater cost of doing local business, are, to the full, as good as the larger proportion of our local freight has been yielding us. Upon the opening of our line to Detroit last winter we established the nucleus of a large trade with Cincinnati in its great staple commodities of pork, lard, and "boxed meats." Of the latter alone we carried some 3,000 tons; all of which was way-billed "*Through, via Portland*" and the "*Montreal Ocean Steam-ship Company's vessels to Liverpool*." I believe that our Cincinnati trade might be increased to an extent sufficient for the freighting of three times as many ships as now visit Portland during winter. But they must be steam-ships. The trade in meat demands dispatch.

In order to place Portland on a par with rival ports for such business as that just referred to, and for which the five Atlantic trunk-lines are all competing, we are, of course, compelled to carry at very low rates. That is to say, at the same rates as the other four lines—all having a New York connection—carry for to that great commercial emporium.

The distances from some of the principal centres of western trade to New York, and, *via* Grand Trunk Railway, to Portland, compare as follows:—

| | | | |
|------------------------|----|----|------------|
| Cincinnati to New York | .. | .. | 879 miles. |
| “ Portland | .. | .. | 1,120 “ |
| Chicago to New York | .. | .. | 960 “ |
| “ Portland | .. | .. | 1,137 “ |
| St. Louis to New York | .. | .. | 1,341 “ |
| “ Portland | .. | .. | 1,418 “ |
| Detroit to New York | .. | .. | 776 “ |
| “ Portland | .. | .. | 853 “ |

In these comparisons I have in every instance assumed the *longest* all-rail route for the distance to New York; while the figures opposite to Portland represent the least number of miles by which it can be reached over our line and its connections.

We offer to the merchant in any of those cities a *through* bill of lading to Liverpool at exactly the same rates as he would have to pay if he shipped his goods by way of New York; and we say to the ship-owner who makes Portland his port of departure—your share of the through freight charge shall be exactly the same as the New York vessel would receive, though your sea-voyage is a shorter one. The amount then left to compensate the Railway for its share in the carriage of the goods is just the same as the shorter lines terminating at New York would receive, were the goods shipped from that port instead of from Portland.

On the above class of merchandise from Cincinnati we receive 21 per cent. per mile, and from Chicago 16 per cent. per mile less than the New York roads get. Our ability to carry at the lower rates being in the greater proportion of unbroken line that we possess, and in the facilities for transferring the freights from the cars to the ship at Portland, with little handling and no cartage.

The inducements thus held out to merchants to ship their goods at Portland are as great as we can well offer, without at once and avowedly entering upon a system of ruinous competition with the other Trunk Lines—the “New York Central,” the “Pennsylvania,” the “New York and Erie” and the “Baltimore and Ohio” Railroads. With a view to do away with such kind of competition, a general representation of all Western and Atlantic Lines was convened at New York in July last, and certain broad principles agreed upon for our general governance, were subsequently, at a convention of the representatives of the “Five Atlantic Trunk Lines,” held at Saratoga on the 28th July, digested into a treaty of peace, which has ever since ruled our actions towards one another.

Transatlantic freights, arriving direct from sea at Portland, are dealt with in the same manner as those outward bound.

In endeavouring in this Report to state things exactly as they present themselves to my mind, and to place before you from the same stand-point from which I view them, certain organic wants, from which this great railway has been and still is suffering, as well as certain inalienable obstacles with which it will always have to contend, it is far from my desire to cast a shade upon its future. On the contrary, I have an abiding faith in its ultimate ability to make a fair return on the capital absorbed in it. The cost per mile to the share and bond-holders is much below the average cost of the chief American lines east of the great lakes. And though I would not undertake to promise that for some years to come it can be worked at less than 60 per cent. of its gross earnings, I believe that its receipts may be swelled to an amount that will represent surplus sufficient to pay interest on the bonded debt, and, by-and-by, a dividend on the share capital. The working expenses of the year ending 30th June last are not to be taken as a criterion of the proportion that outlay is to bear to revenue for ever. For the first moiety of that year we had no Victoria Bridge, and we had unavoidably to do many things, arising out of shortcomings in original construction, which drew unfairly upon revenue. The

latter half of the year saw us, for the first time, in the condition of an independent road, connecting directly with feeders in the Western States; but it also found us with upwards of one hundred miles of new road upon our hands wherewith to effect that connection, with insufficient and already overworked rolling stock, and with incomplete and consequently expensive ferry arrangements at Sarnia. "And all past experience goes to prove that, whatever forethought may have been devoted to its construction, a railway cannot be ushered into existence in such a state of perfect organization as will allow of a thoroughly economical system of working being administered from the outset.

There is one portion of the Company's property to which I have as yet made no allusion, because it has not been included in the general working of the line for the last twelve months, nearly—the portion east of Quebec—from Chaudière Junction to Rivière du Loup: 118 miles.

Of that part of the Grand Trunk Railway scheme I will confine myself to observing that since December of last year it has been "farmed out" to certain parties, but at a direct money loss to the Company of 1,500 dollars per month, in the form of a subsidy to the lessees; and that we now have offers for leasing the road without any subsidy at all being looked for; thus showing an improvement in the prospects of that section of the line to the extent of 18,000 dollars a year. I would recommend that the leasing or "farming" principle, *without subsidy*, be adopted for the working of the Rivière-du-Loup extension for a year or two to come.

I am, Sir,
Your obedient Servant,

W. SHANLY.



A. GRAND TRUNK RAILWAY.

AVERAGE TRAFFIC RECEIPTS per-Mile per Week for the Years ending June 30th 1858, 1859 and 1860, and from June 30th to November 10th, 1860.

| YEARS ENDING | Local Passenger Receipts per Mile per Week. | | Foreign Passenger Receipts per Mile per Week. | | Immigrant Receipts per Mile per Week. | | Total Passenger Receipts per Mile per Week. | | Mails, Express, &c. Receipts per Mile per Week. | | Local Freight and Live Stock Receipts per Mile per Week. | | Timber and Lumber Receipts per Mile per Week. | | Firewood Receipts per Mile per Week. | | Foreign Freight and Live Stock Receipts per Mile per Week. | | Total Freight Receipts per Mile per Week. | | Total Receipts per Mile per Week. | | | | |
|--------------------------------|---|----|---|----|---------------------------------------|----|---|----|---|----|--|----|---|----|--------------------------------------|----|--|----|---|----|-----------------------------------|----|----|----|----|
| | \$ | c. | \$ | c. | \$ | c. | \$ | c. | \$ | c. | \$ | c. | \$ | c. | \$ | c. | \$ | c. | \$ | c. | \$ | c. | | | |
| June 30th, 1858. | 15 | 25 | 15 | 51 | 0 | 70 | 22 | 19 | 46 | 2 | 15 | 73 | 16 | 74 | 2 | 08 | 62 | 1 | 34 | 22 | 02 | 42 | 43 | 65 | 11 |
| June 30th, 1859. | 16 | 84 | 06 | 3 | 74 | 49 | 0 | 38 | 26 | 2 | 13 | 12 | 18 | 99 | 3 | 01 | 65 | 2 | 76 | 26 | 19 | 87 | 49 | 29 | 80 |
| June 30th, 1860. | 16 | 98 | 32 | 5 | 07 | 49 | 0 | 35 | 92 | 2 | 17 | 57 | 23 | 64 | 3 | 25 | 36 | 5 | 83 | 34 | 28 | 63 | 59 | 48 | 95 |
| June 30th, to Nov. 10th, 1860. | 20 | 86 | 81 | 8 | 37 | 07 | 0 | 86 | 65 | 3 | 12 | 31 | 26 | 23 | 2 | 97 | 49 | 6 | 41 | 36 | 87 | 48 | 70 | 10 | 33 |

PASSENGER RECEIPTS

| Year | Per Mile per Week. | Per Mile per Week. |
|--|--------------------|--------------------|
| Year ending June 30th, 1860, compared with Year ending June 30th, 1859, increased \$ | 41.93c. | 94.79c. |
| MAILS, EXPRESS, &c. | “ | “ |
| FREIGHT | “ | “ |
| TOTAL RECEIPTS | “ | “ |
| PASSENGER RECEIPTS, June 30th, 1860, to November 10th, 1860 | “ | “ |
| MAILS, EXPRESS, &c. | “ | “ |
| TOTAL RECEIPTS | “ | “ |

B. COMPARATIVE STATEMENT OF EMIGRANTS arriving at the PORT OF QUEBEC from 1857 to 1860 inclusive.

| COUNTRIES. | 1857. | | | 1858. | | | 1859. | | | 1860. | | |
|----------------------|--------|-----------|--------|--------|-----------|--------|--------|-----------|--------|--------|-----------|--------|
| | Cabin. | Steerage. | Total. | Cabin. | Steerage. | Total. | Cabin. | Steerage. | Total. | Cabin. | Steerage. | Total. |
| England. | 1647 | 13521 | 15171 | 1436 | 5005 | 6441 | 1409 | 3280 | 4749 | 1382 | 5099 | 6481 |
| Ireland. | 1 | 2015 | 2016 | 106 | 1047 | 1153 | 4 | 413 | 417 | 1 | 376 | 377 |
| Scotland. | 188 | 3030 | 3218 | 38 | 1386 | 1424 | 158 | 636 | 794 | 128 | 851 | 979 |
| Continent of Europe. | 4 | 11364 | 11368 | ... | 3278 | 3578 | 65 | 2658 | 2723 | 40 | 2286 | 2325 |
| Lower Provinces. | ... | 24 | 24 | 116 | 98 | 214 | ... | ... | ... | ... | ... | ... |
| Total. | 1840 | 30357 | 32097 | 1696 | 11114 | 12810 | 1696 | 6987 | 8683 | 1551 | 8612 | 10163 |

C. COMPARATIVE STATEMENT showing PROPORTION between EARNINGS and ROLLING STOCK on some of the principal Railways in the United States and Canada.

| | | | | | |
|---|-------------------|------------|--|-------------|------------------------------|
| GRAND TRUNK RAILWAY | Total Length..... | 970 miles. | Average number of miles worked year ending 30th June ... | 932½ miles. | Main Line 919; Branches 21. |
| Gross Earnings for year ending 30th June, 1860..... | ..... | \$2903325 | Earnings per mile..... | \$3090 | |
| Working Expenses..... | ..... | 2413773 | Working Expenses..... | 2 88 | 83 Per Cent. of Earnings. |
| Total number of Engines..... | ..... | 217 | Miles of Road to 1 Engine..... | 4½ | |
| “ “ Passenger Cars..... | ..... | 205 | Including Baggage and P.O. Cars..... | | |
| “ “ Freight..... | ..... | 2818 | Freight Cars to 1 mile of road..... | 2 7/10 | Main Line 229; Branches 116. |
| GR. WESTERN OF CANADA | Total Length..... | 345 miles. | Average Earnings per mile per year..... | \$5903 | 55 Per Cent. of Earnings. |
| Gross Earnings for year ending 1st January, 1860..... | ..... | \$2036633 | Expenses “ “..... | 3257 | |
| Working Expenses..... | ..... | 1133735 | Miles of Road to 1 Engine..... | 3 9/10 | |
| Total number of Engines..... | ..... | 88 | Freight Cars to 1 mile of road..... | 3 3/10 | Main Line 272; Branches 58. |
| “ “ Passenger Cars..... | ..... | 180 | | | |
| “ “ Freight..... | ..... | 1169 | | | |
| MICHIGAN CENTRAL R. R. | Total Length..... | 330 miles. | Average Earnings per mile per year..... | \$5613 | 58 Per Cent. of Earnings. |
| Gross Earnings for year ending..... | ..... | \$1852473 | Expenses “ “..... | 3265 | |
| Working Expenses..... | ..... | 1077483 | Miles of Road to 1 Engine..... | 3 5/10 | |
| Total number of Engines..... | ..... | 94 | Freight Cars to 1 mile of road..... | 3 7/10 | |
| “ “ Passenger Cars..... | ..... | 139 | | | |
| “ “ Freight..... | ..... | 1233 | | | |
| MICHIGAN SOUTHERN | Total Length..... | 525 miles. | Average Earnings per mile per year..... | \$3494 | 61½ Per Cent. of Earnings. |
| Gross Earnings for year ending 31st December, 1859..... | ..... | \$1834121 | Expenses “ “..... | 2144 | |
| Working Expenses..... | ..... | 1125927 | Miles of road to 1 Engine..... | 6¼ | |
| Total number of Engines..... | ..... | 84 | Freight Cars to 1 mile of road..... | 1 7/10 | |
| “ “ Passenger Cars..... | ..... | 113 | | | |
| “ “ Freight..... | ..... | 927 | | | |

C. COMPARATIVE STATEMENT showing PROPORTION between EARNINGS and ROLLING STOCK, &c.—Continued.

| | | | | | | |
|--|--|------------|--|---------|--|------------------------------|
| WESTERN MASSACHUSETTS | | 176 miles. | | | | Main Line 156; Branches 20. |
| Total Length | Gross earnings for year ending 30th November, 1859 | \$181,543 | Average Earnings per mile per year. | \$1,315 | | |
| Working Expenses | " " | 960,147 | Expenses " " | 5455 | | 53 Per Cent. of Earnings. |
| Total number of Engines | " " Passenger Cars. | 72 | Miles of road to 1 Engine.. | 2,107 | | |
| " " Freight | " " " | 57 | Freight Cars to 1 mile of road | 6 | | Main Line 379; Branches 142. |
| BALTIMORE AND OHIO R. R. | Total Length | 521 miles | | | | |
| Gross Earnings for year ending 30th September, 1859. | Working Expenses | \$4301000 | Average Earnings per mile per year. | \$8255 | | |
| Working Expenses | " " | 2056947 | Expenses " " | 3943 | | 48 Per Cent. of Earnings. |
| Total number of Engines | " " Passenger Cars. | 235 | Miles of road to 1 Engine.. | 2,107 | | |
| " " Freight | " " " | 125 | Ordinary Freight Cars to 1 mile of Road..... | 3,811 | | |
| " " Coal | " " " | 1993 | Coal Cars " " | 2,107 | | |
| " " Total Length | " " " | 1290 | | | | Main Line 298; Branches 258. |
| NEW YORK CENTRAL | Total Length | 556 miles. | | | | |
| Gross Earnings for year ending 30th September, 1859 | Working Expenses | \$620845 | Average Earnings per mile per year | \$11152 | | |
| Working Expenses | " " | 334,429 | Expenses " " | 1,024 | | 54 Per Cent. of Earnings. |
| Total number of Engines | " " Passenger Cars. | 211 | Miles of road to 1 Engine.. | 2,107 | | |
| " " Freight | " " " | 298 | Freight Cars to 1 mile of road | 4,106 | | |
| " " Total Length | " " " | 2760 | | | | |
| VERMONT CENTRAL AND VERMONT & CANADA | Total Length | 166 miles. | | | | |
| Gross Earnings for year ending 30th June, 1860 | Working Expenses | \$775568 | Average Earnings per mile per year | \$4672 | | |
| Working Expenses | " " | 47342 | Working Expenses " " | 3902 | | 83 Per Cent. of Earnings. |
| Total number of Engines | " " Passenger Cars. | 42 | Miles of road to 1 Engine.. | 4 | | |
| " " Freight | " " " | 35 | Freight Cars to 1 mile of road | 4,106 | | |

D. GRAND TRUNK RAILWAY.

STATEMENT OF FREIGHT forwarded from Point St. Charles to Stations Westward, during open navigation, per dates below.

| Date. | Weight in Tons. | Amount. | Total Weight in Tons. | Total Amount. |
|---------------------------------------|-----------------|----------|-----------------------|---------------|
| | | \$ cts. | | \$ cts. |
| 1857. | | | | |
| May | 930 28 | 5547 44 | | |
| June | 904 83 | 4734 72 | | |
| July | 596 32 | 3292 53 | | |
| August | 671 31 | 3533 35 | | |
| September | 963 52 | 5512 38 | | |
| October | 1484 95 | 8837 52 | | |
| November | 1894 73 | 11306 82 | | |
| | | | 7445 94 | 42754 76 |
| 1858. | | | | |
| May | 998 11 | 5242 00 | | |
| June | 802 99 | 4237 53 | | |
| July | 755 30 | 3413 34 | | |
| August | 752 39 | 3733 99 | | |
| September | 1080 96 | 6547 67 | | |
| October | 1923 55 | 10527 52 | | |
| November | 2184 37 | 12144 92 | | |
| | | | 8497 67 | 45846 97 |
| 1859. | | | | |
| May | 2066 12 | 9410 16 | | |
| June | 1926 20 | 8281 46 | | |
| July | 1436 75 | 6021 85 | | |
| August | 1392 66 | 6280 40 | | |
| September | 2498 76 | 13322 35 | | |
| October | 3292 22 | 15293 94 | | |
| November | 3443 80 | 15994 62 | | |
| | | | 16056 51 | 74604 78 |
| 1860. | | | | |
| May | 2325 97 | 10529 18 | | |
| June | 3697 01 | 14165 95 | | |
| July | 2314 54 | 8530 20 | | |
| August | 1765 48 | 10018 98 | | |
| September | 3318 90 | 18599 83 | | |
| October | 4203 20 | 20071 68 | | |
| November 1st to 17th | 1900 78 | 9510 13 | | |
| Estimated 18th to 30th November | 1453 54 | 9090 57 | | |
| | | | 20979 42 | 100516 52 |

THOS. E. BLACKWELL, Esquire,
Vice-President and Managing Director,
G. T. R., Montreal.

DEAR SIR,

Herewith I beg to submit a report of our labours during the past year, with statements of the Locomotive and Car working and repairing. The repairs have been somewhat heavy, owing to the unusually severe and changeable weather of last winter, which seriously damaged our Stock. It is now, however, in first class condition.

Our Freight business has greatly increased since the middle of September, and as there is now no doubt of its continued steady increase, we shall require at least 30 additional Engines of sufficient power to take heavy trains over the steep inclines on certain portions of the road. With these we should be able to avoid having recourse to the practice of running two Engines coupled together on Freight Trains—a practice objectionable, as involving not only increase wear and tear to the rolling stock, and consequently increased cost of repairs, but also considerable injury to the permanent way. The non arrival of the Engines from England and Portland has disappointed us: as regards those expected from England, the delay is the more serious, in consequence of the time it will take to put them together after their arrival; and, unless they are speedily delivered, the shortness of time will prevent our using the greater part of them this winter.

We have turned out from these works since last year 5 sleeping cars, 4 baggage and post office cars, two brake vans, 104 box cars, and have 4 first class cars about half finished.

I am glad in being able again to draw your attention to the regularity with which the trains have been run during the past year, as well as to the immunity from accident, which this Company continues to enjoy, affording the best of all proof of the excellent condition of the rolling stock and road.

The very satisfactory manner in which His Royal Highness the Prince of Wales was taken along the Line without the slightest detention or a single mishap, must, I am sure, have been pleasing to the directors, and they may rely upon the continued exertion of myself and assistants to maintain the like results; and

I have the honor to be,

Sir,

Your most obedient servant,

W. S. MACKENZIE.

Point Saint Charles,
Montreal, 21st November, 1860.

STATEMENT showing Working and Repairing Expenses of Locomotive Department in Rates per Mile run for Twelve Months ending 30th June, 1860, as compared with twelve months ending 30th June, 1859, and also for Three Months ending 30th September, 1860.

| | Miles Run by Engines. | | Wood Consumed in Cubic Feet and Cost in Cents per Mile. | | | | Oil and Tallow Consumed in lbs. per 100 Miles. | | | | Small Stores. | | Proportion of Attendance. | | Enginemen and Firemen's Wages. | | Total Cost of Working and Rep'g per Mill. | | | |
|---|-----------------------|---------|---|-------|--------|-------|--|-------|-------|-------|---------------|-------|---------------------------|-------|--------------------------------|-------|---|-------|-------|-------|
| | | | 1859. | | 1860. | | 1859. | | 1860. | | 1859. | | 1860. | | 1859. | | 1860. | | | |
| | 1859. | 1860. | C. Ft. | Cost. | C. Ft. | Cost. | lbs. | Cost. | lbs. | Cost. | C. M. | C. M. | C. M. | C. M. | C. M. | C. M. | C. M. | C. M. | C. M. | C. M. |
| 1859-9. | | | | | | | | | | | | | | | | | | | | |
| July | 249325 | 251938 | 2.38 | 07.14 | 2.13 | 06.19 | 4.08 | 00.55 | 3.95 | 00.67 | 00.11 | 00.12 | 01.94 | 02.16 | 03.77 | 03.43 | 20.17 | 19.63 | C. M. | C. M. |
| August | 246819 | 258921 | 2.40 | 07.20 | 2.08 | 06.03 | 3.94 | 00.61 | 4.02 | 00.69 | 00.13 | 00.14 | 02.84 | 03.09 | 03.77 | 03.48 | 21.49 | 20.17 | C. M. | C. M. |
| September | 244344 | 252300 | 2.55 | 07.65 | 2.32 | 06.72 | 3.95 | 00.65 | 3.87 | 00.68 | 00.14 | 00.14 | 01.84 | 01.83 | 03.76 | 03.31 | 20.69 | 18.52 | C. M. | C. M. |
| October | 247188 | 311905 | 2.92 | 08.77 | 2.67 | 07.75 | 3.88 | 00.64 | 3.38 | 00.60 | 00.13 | 00.12 | 02.24 | 01.74 | 03.65 | 03.24 | 22.35 | 19.02 | C. M. | C. M. |
| November | 244904 | 303828 | 3.21 | 09.64 | 3.00 | 08.71 | 3.84 | 00.66 | 3.97 | 00.67 | 00.13 | 00.13 | 02.48 | 01.90 | 03.77 | 03.36 | 24.74 | 22.02 | C. M. | C. M. |
| December | 209892 | 315193 | 3.46 | 10.38 | 3.72 | 10.80 | 3.95 | 00.68 | 4.30 | 00.70 | 00.13 | 00.13 | 03.46 | 02.60 | 04.13 | 03.78 | 29.69 | 27.03 | C. M. | C. M. |
| 1859-60. | | | | | | | | | | | | | | | | | | | | |
| January | 196577 | 303187 | 3.53 | 10.23 | 3.78 | 10.95 | 3.80 | 00.67 | 4.49 | 00.71 | 00.14 | 00.14 | 03.63 | 02.81 | 04.13 | 03.84 | 29.70 | 28.05 | C. M. | C. M. |
| February | 188479 | 281944 | 3.59 | 09.99 | 3.37 | 09.77 | 4.13 | 00.69 | 4.77 | 00.76 | 00.15 | 00.15 | 04.06 | 03.76 | 04.02 | 03.89 | 29.66 | 25.92 | C. M. | C. M. |
| March | 221905 | 298088 | 3.09 | 08.96 | 3.05 | 08.84 | 3.77 | 00.66 | 4.34 | 00.69 | 00.13 | 00.15 | 03.19 | 02.94 | 03.76 | 03.82 | 24.83 | 23.50 | C. M. | C. M. |
| April | 216196 | 290670 | 2.81 | 08.14 | 3.06 | 08.88 | 3.75 | 00.65 | 4.00 | 00.63 | 00.13 | 00.14 | 02.96 | 02.48 | 03.85 | 03.72 | 23.97 | 24.44 | C. M. | C. M. |
| May | 221954 | 323938 | 2.49 | 07.24 | 2.44 | 07.09 | 3.95 | 00.69 | 4.32 | 00.68 | 00.13 | 00.14 | 02.31 | 02.33 | 03.90 | 03.57 | 23.46 | 22.49 | C. M. | C. M. |
| June | 2360634 | 309634 | 2.24 | 06.53 | 2.28 | 06.60 | 3.94 | 00.69 | 3.95 | 00.63 | 00.14 | 00.14 | 02.17 | 02.10 | 03.72 | 03.56 | 21.83 | 21.62 | C. M. | C. M. |
| | 2723651 | 3530516 | 2.86 | 08.42 | 2.84 | 08.25 | 3.92 | 00.65 | 4.11 | 00.67 | 00.13 | 00.14 | 02.71 | 02.47 | 03.84 | 03.58 | 24.12 | 23.04 | C. M. | C. M. |
| For Three Months Ending 30th September, 1860. | | | | | | | | | | | | | | | | | | | | |
| July | 251938 | 300909 | 2.13 | 06.19 | 2.31 | 06.46 | 3.95 | 00.67 | 3.68 | 00.58 | 00.12 | 00.14 | 02.16 | 02.22 | 03.43 | 03.65 | 19.63 | 21.40 | C. M. | C. M. |
| August | 258921 | 297666 | 2.08 | 06.03 | 2.21 | 06.19 | 4.02 | 00.69 | 4.02 | 00.63 | 00.14 | 00.16 | 03.09 | 03.19 | 03.48 | 03.59 | 20.17 | 21.71 | C. M. | C. M. |
| September | 282500 | 305391 | 2.32 | 06.72 | 2.61 | 07.31 | 3.87 | 00.68 | 3.46 | 00.60 | 00.14 | 00.15 | 01.83 | 02.26 | 03.31 | 03.39 | 18.52 | 21.98 | C. M. | C. M. |

COMPARATIVE Statement, showing the total miles run, total cost, and cost per mile of the Locomotive and Car Departments, for the six months ending 30th June, 1859, and corresponding six months ending 30th June, 1860; and the saving effected during the latter period.

LOCOMOTIVE DEPARTMENT.

ENGINE MILEAGE.

| | |
|--|--------------|
| Total miles run by engines for six months, ending 30th June, 1859..... | 1,172,159 |
| Total cost of engines during same period..... | \$297,709,14 |
| Equal to a mileage rate of..... | 25c. 398m. |
| <hr/> | |
| Total miles run by engines for six months, ending 30th June, 1860..... | 1,720,553 |
| Total cost of engines during same period..... | \$424,794,19 |
| Equal to a mileage rate of..... | 24c. 689m. |
| <hr/> | |
| Difference in favour of 1860..... | 00c. 709m. |
| Equal to a saving on the mileage of the half year of..... | \$12,198,72 |

TRAIN MILEAGE.

| | |
|---|--------------|
| Total miles run by trains for six months, ending 30th June, 1859..... | 988,428 |
| Total cost as above..... | \$297,709,14 |
| Equal to a mileage rate of..... | 30c. 120m. |
| <hr/> | |
| Total miles run by trains for six months, ending 30th June, 1860..... | 1,468,740 |
| Total cost as above..... | 424,794,19 |
| Equal to a mileage rate of..... | 28c. 922m. |
| <hr/> | |
| Difference in favour of 1860..... | 01c. 198m. |
| Equal to a saving on the mileage of the half year of..... | \$17,595,50 |

CAR DEPARTMENT.

| | |
|---|--------------|
| Total train miles run by Cars for six months, ending 30th June, 1859..... | 9,229,845 |
| Total cost for repairs and oiling during same period..... | \$146,532,95 |
| Equal to a mileage rate of..... | 01c. 588m. |
| <hr/> | |
| Total train miles run by Cars for six months, ending 30th June, 1860..... | 15,184,394 |
| Total cost for repairs and oiling during same period..... | \$165,031,82 |
| Equal to a train mileage rate of..... | 01c. 087m. |
| <hr/> | |
| Difference in favour of 1860..... | 00c. 501m. |
| Equal to a saving on the mileage of the half year of..... | \$76,073,81 |

SUMMARY shewing the Total Car Stock on Line and their Condition upon the 10th November, 1860.

| Description. | Waiting Repairs. | Undergoing Repairs. | Total Stock laid off for Repairs. | Balance of Stock working on Line. | Total Stock of each. |
|-------------------------------|------------------|---------------------|-----------------------------------|-----------------------------------|----------------------|
| First Class | 7 | 4 | 11 | 78 | 89 |
| Second Class | 11 | 1 | 12 | 37 | 49 |
| Composite..... | | | | 2 | 2 |
| Baggage..... | 1 | 1 | 2 | 20 | 22 |
| Baggage and Post Office | 4 | 3 | 7 | 29 | 36 |
| Box | 86 | 23 | 109 | 1,524 | 1,633 |
| Platform | 50 | 18 | 68 | 1,011 | 1,079 |
| Cattle..... | | 1 | 1 | 50 | 51 |
| Brake Vans..... | 1 | 5 | 6 | 28 | 34 |
| Snow Ploughs | 6 | 2 | 8 | 26 | 34 |
| Ballast Waggon..... | 29 | | 29 | 104 | 133 |
| | 195 | 58 | 253 | 2,909 | 3,162 |

ADDITIONS to Locomotive Engine Stock during the 12 months ending 30th June, 1860.

| | Passengers | Freight. | Total. |
|---|------------|----------|--------|
| Week ending June 25, 1859. In Stock..... | 78 | 125 | 203 |
| “ Nov. 26, “ “ | 78 | 127 | 205 |
| “ Dec. 31, “ “ | 78 | 128 | 206 |
| “ Jan. 7, 1860. “ | 78 | 129 | 207 |
| “ Feb. 11, “ “ | 78 | 130 | 208 |
| “ “ 18, “ “ | 78 | 131 | 209 |
| “ March 3, “ “ | 78 | 132 | 210 |
| “ July 21, “ “ | 79 | 133 | 212 |
| Transfer made at this date of one Freight to Passenger Stock, making Return for week ending July 28, 1860 | 80 | 132 | 212 |

N. B.—Stock upon Detroit Extension (Narrow Gauge) not included in above.

CONDITION of Car Stock on Line, 10th November, 1860.

| WAITING REPAIRS. | | | | UNDERGOING REPAIRS. | | | | TURNED OUT REPAIRED. | | | |
|-------------------------------|-----|-----------------|-----|-------------------------------|-----|-----------------|-----|-------------------------------|-----|-------------------|-----|
| Passenger. | | Freight. | | Passenger. | | Freight. | | Passenger. | | Freight. | |
| Class. | No. | Class. | No. | Class. | No. | Class. | No. | Class. | No. | Class. | No. |
| First | 7 | Box | 86 | First | 4 | Box | 23 | First | 1 | Box | 52 |
| Second | 11 | Platform | 50 | Second | 1 | Platform | 18 | Second | 2 | Platform | 35 |
| Composite..... | | Cattle..... | | Composite..... | | Cattle..... | 1 | Composite..... | 1 | Cattle..... | 1 |
| Baggage..... | 1 | Brake Vans..... | 1 | Baggage..... | 1 | Brake Vans..... | 5 | Baggage..... | 2 | Brake Vans..... | 1 |
| Baggage and Post Office | 4 | Ballast..... | 29 | Baggage and Post Office | 3 | Ballast..... | 2 | Baggage and Post Office | | Ballast..... | |
| | | Snow Pl'ghs. | 6 | | | Snow Pl'ghs. | 2 | | | Snow Ploughs..... | |
| Total. | 23 | Total. | 172 | Total. | 9 | Total. | 49 | Total. | 5 | Total. | 89 |

CAR STOCK on Line at particular periods.

| Date. | PASSENGER. | | | | | FREIGHT. | | | | | | |
|---------------|--------------|---------------|------------|----------|--------------------------|----------|-----------|---------|------------|---------------|-----------------|--------|
| | First Class. | Second Class. | Composite. | Baggage. | Baggage and Post Office. | Box. | Platform. | Cattle. | Brake Vans | Snow Ploughs. | Ballast Waggon. | Total. |
| 1859. | | | | | | | | | | | | |
| July | 81 | 49 | 2 | 22 | 30 | 1105 | 1068 | 51 | 32 | 34 | 133 | 2607 |
| 1860. | | | | | | | | | | | | |
| January..... | 84 | 49 | 2 | 22 | 30 | 1307 | 1062 | 51 | 32 | 34 | 133 | 2806 |
| June | 84 | 49 | 2 | 22 | 30 | 1500 | 1059 | 51 | 34 | 34 | 133 | 2998 |
| November..... | 89 | 49 | 2 | 22 | 36 | 1633 | 1079 | 51 | 34 | 34 | 133 | 3162 |

Cost of Wages and Material for repairing Cars for 6 months ending

| 30th June, 1857. | 31st Dec., 1857. | 30th June, 1858. | 31st Dec., 1858. | 30th June, 1859. | 31st Dec., 1859. | 30th June, 1860. |
|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. |
| 134064 80 | 125133 22 | 147375 36 | 120571 31 | 134909 72 | 148876 12 | 146717 05 |

COMPARATIVE STATEMENT of Mileage for the years:—

| | September 1859. | September 1860. |
|--------------------|-----------------|-----------------|
| Passenger | 97163 | 97801 |
| Freight | 75953 | 90165 |
| Mixed | 7083 | 39071 |
| Piloting | 6534 | 14538 |
| Light Running..... | 2571 | 5175 |
| Shunting | 25192 | 25267 |
| Wood | 8326 | 9190 |
| Engineering | 59478 | 20875 |
| Total..... | 282300 | 305391 |

MONTREAL, 18th August, 1860.

DEAR SIR,

I beg to acknowledge the receipt of your letter of 17th inst., conveying to me the desire of the Secretary in London, that I should, for the information of the Board, there, give some explanation of the very poor returns from the Detroit and Port Huron section of our line.

The gross earnings of that section for the six months ending 30th June amount to \$40,621 42, equal, taking the length of the section at sixty miles, to about \$28 per mile.

A detailed statement showing the amount received in each month from all sources of traffic is appended hereto.

The results exhibited are certainly very far short of satisfactory, viewing the undertaking as apart from and independent of the Grand Trunk Railway.

The reasons of the meagreness of the earnings from local traffic are not difficult of explanation : because—

Firstly. The line, passing for the greater portion of its length through a woodland district, is situated, and necessarily so, from the force of geographical circumstances, in rear of the towns and villages which form the centres of population.

Secondly. The settlements front, and the towns and villages, are built on the St. Clair River and Lake, a noble navigation, available for fully eight months in the year.

Thirdly. During those eight months steamers ply daily between Detroit and Port Huron, touching at all the intermediate towns and villages and at many accommodation wharves, besides, where the passengers get off or on, as it were, directly at their own doors. It is not surprising, then, that the travelling portion of the population should not at once have abandoned the Steamers for the Railway, when to reach the latter it is necessary to travel, in some instances as much as 10 miles, over indifferent roads ; while, as above said, the Steamer comes up to the traveller's door.

Fourthly. Freight is in like manner carried directly to and from the stores and warehouses of the towns at lower rates than the Railway could

pretend to carry for, and, in many cases, at lower rates between those frontier towns and Detroit, their Metropolis, than it would cost to haul it from the house to the Railway stations.

Fifthly. The manufactories of the district are strictly limited to Steam Saw-Mills, for manufacturing Pine "Lumber," and of these there are a great many all situated on the lake and river front. The market for their deals, boards, &c. is found in the towns on the west coast of Lake Michigan, and on the southerly shore of Erie. To the former, the Lumber is carried at extraordinary low rates, by schooners, which, having taken down cargoes of grain or flour from Milwaukee, Chicago, and other western ports, are returning empty or "in ballast." To the Erie ports a small class of schooners, built purposely for the trade, carry away the products of the forest, bring back salt, iron or other merchandize from Cleveland, Buffalo or Toledo.

For that trade a Railway, situated as ours is, cannot compete. The manufacturer will continue to store the lumber sawed during winter on the wharves and await the opening of navigation to despatch it to market, rather than incur the additional cost of some miles of cartage and the higher rate of Railway as compared with schooner freighting.

Sixthly. Where, the Railway approaches nearest to the most populous sections of the country, it so happens that a large proportion of the population is of French origin, retaining the French language, and French habits and customs. Like their brethren, in Lower Canada, these people are not much given to travel, and, though their pursuits are purely agricultural, they raise but little surplus of agricultural products to send to market, and, as a consequence, are not large consumers of imported merchandize of any kind. In short, as contributors to Railway revenue, the French Americans of Eastern Michigan, like their kindred, the French Canadians of Eastern Canada, do not count for much.

The foregoing statement of facts as they are will, I trust, account satisfactorily for the very unsatisfactory results from the way traffic of the Detroit and Port Huron section.

The rates we have been charging for the local business are as high as it will bear.—Freight about three cents per ton per mile.—The general passenger tariff three cents per mile. In summer, the latter is necessarily reduced to enable us to compete at all with the steamers and we give "Return Tickets"—good for the day—from Detroit to all stations, and from all stations to Detroit, at one-third less than the regular fare.

The growth of the local traffic must be gradual. The country, in immediate proximity, has to be settled.—The steamers now in use are worn out. I think it unlikely that much *new* capital will be invested in the latter description of property; but the present vessels will be run while they hold together and while fire-wood is to be had, all along the line of navigation, at from seventy-five cents to a dollar per cord.

The through business coming over this line has hitherto been credited to it *pro rata* with the rest of the Grand Trunk, of which the traffic accounts have hitherto treated it as part, and (as I think) should continue to do so. The freight, for the time gone by, will not average one-and-a-quarter cent per ton per mile : the through passenger rate is about two cents per mile.

In the future pointing to the coming autumn and winter, we can undoubtedly levy a much better rate on through freight than we have ever yet obtained. The quantity carried, will also, I trust, show a large increase over the past, but I do not think that any arbitrary rates we might, by abstracting from the general purse, affix to the traffic passing over the Detroit Section, can have the effect of swelling the apparent receipts to such a point as will provide for its existing annual liabilities.

Those liabilities consist of interest at eight per cent on £225,000 sterling of Bond Capital, and six per cent per annum on an equal amount of Share Capital. The amount of interest to be provided for each year then, is £31,500 sterling or \$152,460 (dollars.) Equal to about fifty-three dollars per mile per week.

The road is in every respect admirably well constructed, and the gradients and alignments highly favorable to economical working. I believe that it can be worked almost to the limit of its carrying capacity for forty dollars per mile per week.

Adding these forty dollars for working expenses to the amount required to pay interest, the Detroit and Port Huron Section will require to earn ninety-three dollars per mile per week in order to meet its liabilities ; or if it cannot actually earn it itself the difference between that amount and what it can earn, will have to be allotted to it out of the general earnings of the Grand Trunk Railway.

It is above stated that for the half year ending 30th June, the earnings due to the Detroit Section have only reached the average of \$28 per mile per week ; and I am quite sure that, whatever success may await the Grand Trunk, as a whole, these twenty-eight dollars cannot be increased to ninety-three, for very many years to come on that particular portion of the line.

The construction of the Detroit Extension was a necessity which the Grand Trunk Railway Company could not possibly have avoided. To reach the great arteries of western commerce at Detroit, was essential to the existence of the Grand Trunk Line. Such being the case, it may therefore be argued that the Grand Trunk should be held liable for any short-comings on the part of the other ; but that, after all, would be merely "robbing Peter to pay Paul." The average earnings per mile of the whole Line, between Detroit and Portland, will always be very much more than the average earnings between Detroit and Port Huron, and it seems to me as if the latter section would be fairly dealt by, if credited with, on each mile of its length, the average weekly earnings of the whole line.

The time cannot be far distant now when our gross earnings will reach and can be maintained at \$80 per mile per week ; which, credited to the Detroit Section would represent an amount sufficient to pay working expenses, and *six per cent* on Bonded and *three per cent* on Share Capital.

This amounts to a suggestion that the interest hitherto guaranteed or offered to be guaranteed on the capital invested in the extension should be retreated from, at least until actual earnings warrant a return to the eight per cent and six per cent interest on the two classes of capital, respectively. It will not, at all events, be safe to promise that for some considerable time to come more than \$80 per mile per week can be allotted to any one section of the line without manifest injustice to the whole.

The above mode of making the coffers of the "Chicago, Detroit and Canada Grand Trunk Junction Railway" assume an appearance of solvency is only offered suggestively. Its own actual earnings are too small to allow of any successful remedy being applied by increasing the *rates* on Through Freight and Through Passengers. The local rates we cannot change, and I see no other way open than to *PRO RATE* the whole earnings over the whole distance, without regard to the number of passengers or number of tons of freight that may have passed over any particular division of the line. For the past and up to that period in the future when eighty dollars per mile per week will be realized, I do not see how the Detroit Extension can be dealt with in the traffic accounts more favorably than by applying the principle above laid down, and crediting it with its mileage proportion to the receipts of the whole "Grand Trunk."

I regret that I cannot speak more hopefully of the traffic prospects of the Detroit and Port Huron Line in its individual position, but I trust that the reasons already given will be found sufficient to warrant me in not promising any extraordinary or rapid increase in its earnings. Like all the rest of the Grand Trunk its revenue will grow with the growth of the country, and *that* cannot be arrested.

I am, &c., &c.,

(Signed) W. SHANLY.

JOSEPH ELLIOTT, Esq.

APPENDIX XV.

Montreal, 18th December, 1860.

TO THE CHAIRMAN AND BOARD OF DIRECTORS OF THE G. T. RAILWAY
COMPANY OF CANADA, LONDON.

GENTLEMEN,

The undersigned Auditors in Canada of the Books of the Railroad with which you are so largely connected, have already signed a certificate to the effect, that they are properly kept; that the Balance Sheet corresponds with the Ledger; and that Vouchers have been produced for the sums charged as Cash payments.

Discussions have arisen from time to time between the undersigned and the Vice President of the Company, relative to the extent of duties which devolve upon them as Auditors; they were desirous of performing these duties faithfully, without either assuming the functions of a Committee of investigation, or of encroaching upon the powers of the Board of Directors, but the line of demarcation was difficult to draw, and in accordance with what seemed the view of the Board. The undersigned have hitherto confined their Reports to a simple verification of the Books and Vouchers as above stated.

But though their certificates have embraced only these matters, their investigations have assumed a much wider range, and in the opinion of the undersigned, a thorough Audit, to be of value to the Company, ought to extend to all its transactions, though a special report on them may not be always necessary, except in cases where there is evidently something calling for particular notice.

The present unfortunate position of the Company seems now to require from the undersigned a more extended report upon its affairs, and if it prove of any benefit to the Company, the undersigned will not grudge the labour expended in the investigation.

First.—*The Balance Sheet* as printed does not represent intelligently the position of the Company's affairs, inasmuch as many accounts stand open, which should be closed and charged against such standing accounts as construction, capital, revenue, or profit and loss, amongst these may be classed the following :

| | |
|---|----------------|
| Interest Account and Discount on Bills..... | \$9,383,167 68 |
| Steamers and Barges for Ferries..... | 274,320 49 |
| London Office Expense Account..... | 116,086 71 |
| Insurance on Buildings..... | 23,895 58 |
| Goods purchased in London..... | 23,522 35 |

And others of a minor character, as appears in a newly classified Balance Sheet, which the undersigned have made out, and which accompanies this Report.

Subscription to St. Lawrence Docks.

Second.—An entry appears in the Books under this head of \$123,000 which we understand to be a sum paid to the Company formed by Messrs. Chapman, of London and Liverpool, to build Wharves on their property at Point Levi, having a Railway connection with this Company's track, but it has not been made clear to us, whether the sum paid is a free gift, or is represented by Stock in the Dock Company. In any case it would seem to be quite unnecessary, as the Grand Trunk Railway Company have already acquired a separate property at Point Levi, which amply secures a connection with the Shipping. On this property they have built Wharves, and established a terminal Station connected with the River, and made other improvements at a large cost. In the absence however of more definite information respecting this outlay it has been placed to Capital or Construction Account in the Balance Sheet furnished herewith.

Revenue Account.

Third.—A Balance of \$1,472,113 08 is shewn at the credit of this account, which, unless examined, would appear to exhibit a profit on the running of the Line for past years. This however is not the case, inasmuch as several large items have yet to be charged against it, such as :

| | | |
|---|-------------|----|
| The Rent or Lease of the Portland Road..... | \$2,248,766 | 22 |
| Do. of the Chicago, Detroit and Canada..... | 86,836 | 44 |
| Carriage of Companies Stores formerly credited. | | |
| Revenue Account should now be deducted..... | 109,347 | 78 |
| Amount paid Contractors for running Rivière du Loup Line, besides furnishing them with Locomotives and Cars free..... | 8,169 | 35 |
| Quebec and Richmond ground Rent..... | 1,864 | 39 |
| Hon. John Hamilton on Lake Steamers..... | 3,815 | 00 |
| Insurance on Buildings..... | 23,895 | 58 |
| Balance at 30th June, on hire of Cars..... | 77 | 85 |
| | <hr/> | |
| | 2,482,772 | 61 |
| Balance at credit of Revenue Account as shewn by the Ledger..... | 1,473,281 | 41 |
| | <hr/> | |
| Showing a loss on the running of the Line..... | 1,009,491 | 20 |

It is unnecessary and would occupy too much space here, to notice in detail the different items to which the undersigned desire to direct your attention.

These will be seen on reference to the accompanying Balance Sheet, which, they trust, will be found plain and suggestive.

Independently however of the mere construction or classification of the accounts, there are other matters which, in the opinion of the undersigned, require the consideration of the Board, but in directing attention to them, the undersigned must not be understood as bringing any charge or insinuation against any Officer of the Company, and have in view only the adoption of such measures, as will remove or remedy the evils complained of.

The mode of examining or passing accounts for payment, seems defective in some respects. Large amounts are paid apparently, on the mere signature of a Clerk of the Vice President. These amounts include accounts of various kinds, and embrace considerable sums of money, and the undersigned are of opinion that a small Finance Committee composed of two or three persons should examine and pass all accounts for payment. This would tend to increase the confidence of the Shareholders and be otherwise beneficial.

Extra time of Clerks. Charges of this nature have come before the Auditors frequently, and they must record their opinion, that the admittance of such a principle into the Company's establishment is unsafe and mischievous. The Office hours are short, and if the business of the Company requires the attention of any Officer of Clerk beyond these hours, it ought to be cheerfully given as a matter of ordinary duty without charge. The Salaries paid are ample, and if an Officer is allowed to charge for extra work, it lays him open to the suspicion of neglecting his duty in ordinary Office hours, in order to get extra pay for extra hours.

No such custom prevails in this Country. The Officers of Banks and other public bodies have frequently to work late, but never receive extra pay for so doing.

Wages. In glancing over the Pay-lists it is apparent that the heaviest drain of the Revenue of the Company comes under this head, and more especially from the Locomotive and Engineering Departments. The first of these, the Locomotive has taken during the half year. . . . \$451,586 42 and the Engineering and maintenance of way during the same period. 314,059 76

Together. \$765,646 18

The undersigned have no practical acquaintance with such subjects, and do not offer any opinion on the matter, beyond that the sums appear very large, and whatever would tend (with respect to safety) to modify these charges should claim the earnest attention of the Board.

In the Locomotive Department a good deal of extra time is allowed, but in an establishment of this description, this perhaps is unavoidable.

Stores and Stores Accounts.

This Department of the Company's Business has long attracted the attention of the Auditors, and frequently formed a subject of conversation

Appendix to Report of Commissioners.

between them and the Vice President. About a year ago at his request, the undersigned examined thoroughly into it, and the result was by no means satisfactory.

They found that ever since the commencement of the business great irregularities had existed.

The mode of purchasing supplies was objectionable and there was an absence of those checks which are necessary in all establishments of this description and magnitude.

It appears that during last year supplies to the extent of \$849,905 06 were purchased—of which 267,683 79 have been obtained from one establishment in this city, without competition, and apparently under the uncontrolled orders of the Store-keeper, who is not always experienced in such matters. Whatever the result may have been, it is undeniable that this system is objectionable and liable to abuse, and the Auditors entertain doubts whether the item which appears in the Balance Sheet of \$494,834 15 as an asset of the Company could be realised. They are of opinion that competent parties should take an account of the Stock, before it is allowed to appear in another Balance Sheet, and that in future, so far as it is possible, the supply of the principal articles required by the Company should be given out impartially, once a year, by public tender, and that a respectable and responsible Broker, who understands such business, should be employed to purchase the remainder from time to time, wherever he could find them best and cheapest.

Fuel. This article being scattered over the entire line of the road, the Auditors are unable to do more than recommend that an estimate of the Stock reported to be on hand, and its value, should be made every year before the books are closed for balancing.

The amount which it represents in the Balance Sheet \$280,855 18 is probably in excess of the value of Fuel actually on hand, and simply represents the balance of the account as it stands in the Ledger.

Car and Engine Oils. The large consumption of this article of prime necessity makes it important that it should be procured of the best quality and as cheap as possible, but unfortunately neither of these results have been attained by the Company.

We see from the books that in the year 1859 the sum of \$7000 was paid as a bonus to certain parties in Toronto to establish works for the manufacture of the article of "Masons patent Sperm Oil," and this Company agreed to buy exclusively for five years all that was used on the road from this Oil Company, at a price varying from 25 @ 40 cents per gallon, for the expense of manufacturing.

There are other conditions in the contract which are still more unfavorable, and we are at a loss to account for the motives to this action on the part of the Grand Trunk Company. It is to be presumed that their object was to get a good article at a price lower in proportion to the bonus paid, than it could be elsewhere obtained. But so far is this from being the case, that loud and constant complaints are made from the Engine

Drivers, and Officers on the entire line, of the miserable stuff served out to them, in the name of oil. And the price paid for it is at least ten per cent higher than offers were made to supply the Company with the very best article by competent and respectable parties, whose works were already established.

As the safety of the line and the avoidance of accidents depends much on the quality of the oil used, it is to be hoped that measures will immediately be taken to put this matter on a more satisfactory footing.

Toronto Rolling Mill. This establishment appears to have commenced operations early in June last, since when it has re-rolled for the Company 2754 tons of rails, at a cost of \$29 50 per ton, for all rails west of Kingston, and one dollar per ton less for those east of that point.

The Auditors are at a loss to know why there should be any difference in the price, as when both are delivered free at the works, as the contract provides, it should cost no more to roll the one than the other, and the difference as now established operates as a bounty in favor of the works at one locality against those that may be established at another, whereas it is manifestly the interest of the Company to encourage competition wherever possible. It is also worthy of notice that in the contract between the "Rolling Mill Company" and the "Grand Trunk Company" it is provided: "That new rails of such pattern and finish as may be required, equal in weight to the old rails, may be delivered in lieu of old rails"—

| | |
|---|---------|
| The value of the old rail is..... | \$18 00 |
| and the contract price for re-rolling averages..... | 29 00 |
| | \$47 00 |
| Thus making a ton of re-rolled rails cost..... | \$47 00 |

per ton to the Railway Company. Whereas if the contractors choose to import and deliver new rails, as the contract plainly admits, they can do so at a probable cost of about \$38 @ 42 per ton, according to the state of the market, thus leaving a large profit to the rolling contractors on the importation. So that at almost any time, especially when prices of iron are low, the contractors might realise a large gain on the contract by merely importing the rails and shutting up their works.

The Sarnia Lands and Station. An account appears in the books of the Company under this head, exhibiting an amount at its Debit of \$72,181 48, of which the sum of \$43,487 appears to have been cash paid to Messrs. Gzowski & Co. on account of purchase of land, and the Auditors are given to understand that a mortgage for a further sum of \$80,000 is still outstanding. The Auditors have not been able to learn whether the purchase of these lands was made on account of the Company, or on account of a private party. If the former, then the whole transaction, including the mortgage, should appear in the books, and be regarded as a liability of the Company; and if the latter, then the amount already paid should be charged to that party and would form one of the Company's assets.

The Auditors, however, feel persuaded that while for the efficient management of the road, these and other matters require revision and improvement, the changes recommended will go but a short way in affording any permanent relief to the Shareholders of the Company in its present embarrassed position.

The evil is too deep to be adequately reached by any change in the system of management, and though the undersigned may be said to be going beyond their Province in entering here into a discussion of such matters, they feel constrained, both as Shareholders and Auditors, to record their opinions founded on long observation, that the present embarrassments of the Company have arisen chiefly from its connection with the successive Governments of the Province, and the necessity therefrom of conciliating political support. To this may be attributed the immense loss of capital involved in the purchase of the "St. Lawrence and Atlantic Railway," at 37½ of premium, when it might have been purchased at 50 p. ct. discount, in the leasing of the Portland end of that road at 6 p. ct. annual interest on its entire capital, when its Stock was selling at a very large discount, and the control of it could have been obtained by the purchase of the Stock at or below that rate, or by leasing at a proportionate rate of interest. These items alone involve a loss to the Company of a sum not less than six millions of dollars.—Say

| | |
|---|-------------|
| ..... | \$6,000,000 |
| And an additional sum required to put the road in proper running order of..... | 1,600,000 |
| To the same influence may be attributed the necessity which was forced on the Company of building the Rivière du Loup Line, at a cost of..... | 3,000,000 |
| which does not nearly pay working expenses; also, the Three Rivers and Arthabaska Road..... | 162,000 |
| And the subsidies to the Ottawa and Prescott and other branch Lines, say at a cost of | 737,000 |
| And the Kingston Extension | 214,000 |

The undersigned feel justified in affirming that from these and other such political necessities, a sum has been engulfed equal to the entire aid given by the Province to the enterprise, and to make the matter worse these extensions are not self supporting, and if not closed will remain a continual expense to the company.

Nor has the Province benefited to any material extent by the expenditure, because these branches and extensions were not required at the time, nor since, do not pay, and would not under other circumstances have been built for many years to come.

The Auditors are further of opinion, that if this great enterprise had been originally commenced and conducted as a mercantile business, independent of political influences, the line in the first instance would have been confined to the District between Montreal and Toronto, would have paid well, and could afterwards have been extended, east and west as the business of the country demanded, and the finances of the Company would have permitted.

Had this been done, the affairs of the road would to-day have presented a very different aspect, and even now the undersigned are of opinion that the true interest of the Company is to get over its present embarrassments from its own resources, and to cut off, at once and for ever, all connection with Governments, or with politics, and in future to conduct the business purely as a commercial enterprise on mercantile principles, having all its connections and arrangements such as will best advance its own interests.

This road occupies a peculiar position in so far as it may be regarded in a double capacity.

First as a local Canadian Line, and next in its through capacity as a competitor with the United States Lines for the through business passing between the States of Ohio, Michigan and Illinois in the west, and Portland, Boston and the Seaboard in the east. Its connection with Portland compels it to cultivate a through western trade, and it seems to be doing so successfully and at fair rates.

From the want of a due appreciation of its position in this respect, much unnecessary blame has been cast on the manager for encouraging this trade, but the undersigned are of opinion that while the development of the Local Canadian Traffic should always be the first object, the other is not to be neglected or lost sight of.

The Company has suffered much inconvenience, expense and loss, from the want of a Railroad connection and terminus with the City of Montreal, the place from whence it derives by far the largest and most profitable part of its traffic, and the undersigned are of opinion, that if the money spent to achieve a connection with Kingston, (the trade of which is comparatively insignificant) and Samia which has very little trade, or the Quebec Docks, which seems an outlay entirely uncalled for, had been devoted to the great necessity of connecting the largest City in British America with the Railway, it would have been in every respect more conducive to the interests and prosperity of the Company.

The Auditors feel warranted in expressing their conviction, however, from a knowledge of the constantly increasing and elastic trade of the Province, that with careful management and equipment, a connection with the City and Harbour of Montreal, strict surveillance and economy in every department, the enterprise would soon pay interest on its Bonds, and before many years give something to its Shareholders also.

In conclusion the Auditors feel it to be their duty to say, that they have always had free access to all the books and papers necessary to their investigations, and have at all times met with the utmost readiness on the part of the Vice President and the other Officers of the Company to explain and communicate whatever information they required, and even to invite enquiry.

It may not be amiss for the Auditors to suggest that it would be desirable if the Province would exchange its claim on the Company, for a transfer of its branches and extensions which had to be made to obtain the Provincial aid.

This would be a strictly just arrangement and might be advantageous to both parties, it certainly would be to the Grand Trunk Company.

We have the honor to remain,

Gentlemen, yours &c.,

(Signed) WILLIAM WORKMAN,
HUGH ALLAN.
Auditors G. T. R.

Dr.

GENERAL ACCOUNTS

ASSETS AND DEBITS.

| | | \$ cts. | \$ cts. |
|---|-------------|-----------|------------|
| To Outstanding Traffic Accounts..... | | | 450163 06 |
| Amount of Stores said to be on hand..... | | | 494834 45 |
| Amount of Fuel do..... | | | 280855 18 |
| Amount paid Com. Sinking Fund, City of Portland Loan..... | | | 236250 00 |
| Advanced on Chicago and Detroit, to be repaid..... | | | 9052 72 |
| Amount due by City of Portland, being advance made for Steamship Wharf..... | | | 26694 39 |
| Amount due by Atlantic and St. Lawrence Railroad..... | | | 23029 92 |
| Due by Postmaster General..... | | | 6738 92 |
| Do. Ontario, Simcoe and Huron Railway..... | | | 5237 45 |
| Do. Great Western Railway..... | | | 3071 41 |
| Do. Ontario Foundry Company..... | | | 105 80 |
| Do. Port Hope and Lindsay..... | | | 240 71 |
| Sundry petty Accounts..... | | | 10074 45 |
| Abbott and Freer..... | | | 9008 38 |
| | | | 1555356 84 |
| Toronto City Debentures..... | \$400000 00 | | |
| Atlantic and St. Lawrence Shares..... | 191466 66 | | |
| Do. Debentures..... | 33833 33 | | |
| Unissued Bonds..... | 9441 33 | | |
| | | | 634721 32 |
| Advanced Three Rivers and Arthabaska..... | | 162312 53 | |
| Amount in hands of Provincial Agents towards aid to Subsidiary Lines..... | | 736995 83 | |
| | | | 899308 36 |
| | | | 3089386 52 |
| Cash on hand..... | | | 154163 04 |
| | | | 3243549 56 |
| Balance at Debit of Revenue Account opposite lost on total business of the Road..... | | | 1009491 20 |
| | | | 4253040 76 |

GRAND TRUNK RAILWAY COMPANY.

CR.

LIABILITIES AND CREDITS.

| | \$ | cts. | \$ | cts. |
|--|-----------|------|---------|------|
| By Balance from Capital Account | 3431838 | 49 | | |
| Due sundry parties as per Balance Sheet | 37943 | 48 | | |
| Due on Stores, Fuel, Engineering and Miscellaneous Accounts, per Balance Sheet | 523303 | 51 | | |
| Wages due | 173118 | 84 | | |
| Chicago, Detroit and Canada Grand Trunk Junction | 86836 | 44 | | |
| | | | 821202 | 27 |
| | | | 4253040 | 76 |
| This Amount at Credit of Revenue account to date in Ledger ... | 1173291 | 41 | | |
| But the Revenue should be charged with the following : | | | | |
| 1. Lease of Portland Line | \$2248766 | 22 | | |
| 2. Lease of Chicago Road | 86836 | 44 | | |
| 3. Carriage of Company's own Stores formerly credited, should now be deducted | 109347 | 78 | | |
| 4. Loss on running Rivière-du-Loup Line | 8169 | 35 | | |
| 5. Quebec and Richmond Ground Rent | 1864 | 39 | | |
| 6. J. Hamilton on Lake Steamers | 3815 | 00 | | |
| 7. Insurance on Buildings | 23895 | 58 | | |
| 8. Balance to date on Hire of Cars | 77 | 85 | | |
| | 2482771 | 61 | | |
| | 1009491 | 20 | | |
| Mem.—As these amounts are greater than the Revenue accounts by \$1009491 20, this balance must go to opposite side. | | | | |
| | | | 4253040 | 76 |

30th June, 1860.

| | | CAPITAL | |
|--|----------------|-------------|------|
| DR.—EXPENDITURE. | | GRAND TRUNK | |
| | | \$ | cts. |
| Eastern Division..... | 363 miles..... | 15840432 | 96 |
| Central Division..... | 335 do..... | 17177382 | 80 |
| Western Division..... | 190 do..... | 8716802 | 23 |
| | <u>888</u> | 41779617 | 99 |
| Portland Line..... | 149 do..... | 1615915 | 12 |
| Rolling Stock..... | | 43395533 | 11 |
| | | 4475247 | 35 |
| | | 47870780 | 46 |
| Boats, Barges and Ferries..... | | 274320 | 49 |
| Paid towards Quebec Docks..... | | 123000 | 00 |
| Sundry items as per balance sheet marked C..... | | 125238 | 24 |
| London Office Expense Account..... | | 116086 | 71 |
| Loss on Debentures sold..... | | 292 | 00 |
| London Secretary's Accounts, Nos. 1 and 2..... | | 940 | 05 |
| Canada Drawing Account..... | | 24000 | 00 |
| Sundry Interest Accounts unclosed— | | | |
| | | \$8798977 | 33 |
| | | 332462 | 82 |
| | | 251727 | 53 |
| | | 9383167 | 68 |
| Amount at Debit of Chicago, Detroit and Canada Grand Trunk Junction Company..... | | 41402 | 86 |
| | | 57959228 | 49 |
| Victoria Bridge to date..... | | 6494667 | 34 |
| | | 64453895 | 83 |
| Balance to General or Working Account..... | | 3431838 | 49 |
| | | 67885734 | 32 |

ACCOUNT.

RAILWAY.

MONEY RECEIVED.—CR.

| | \$ | cts. |
|--|----------|-------------|
| By Capital raised from Shares and Debentures per Balance Sheet | 58469643 | 61 |
| Borrowed from— | | |
| Bills Payable | 2112581 | 53 |
| Exchange | 362991 | 26 |
| London Bankers..... | 6853681 | 48 |
| Expended Chicago, Detroit and Canada Grand Trunk Junction..... | 86836 | 44 |
| | | 67885734 32 |

30th June, 1860.

APPENDIX XVI. A.

SUMMARY of Merchandise Traffic between the Grand Trunk Railway Company and Androsscoggin and Kennebec Company, Boston and New-York, from July 1859, to June 30th, 1860.

| BETWEEN. | WEIGHT. | PROPORTION. | PROPORTION. | TOTAL. |
|--------------------------------------|----------|----------------------------|----------------------------|---------------------|
| <i>Androsscoggin & Kennebec.</i> | Tons. | Grand Trunk Proportion. | And. & Ken. Proportion. | |
| Forwarded to And. & Ken.... | 30570 83 | \$ cts. 21334 45 | \$ cts. 64177 47 | \$ cts. 85511 92 |
| Received from do. | 22311 82 | 15510 85 | 56516 51 | 72027 36 |
| Total | 52882 65 | 36815 30 | 120693 98 | 157539 28 |
| <i>Boston.</i> | | | Boston Proportion. | |
| Forwarded to Boston | 31315 25 | 186936 44 | 41865 39 | 228801 83 |
| Received from do. | 7945 24 | 50179 19 | 10563 10 | 60742 29 |
| Total | 39260 49 | 237115 63 | 52428 49 | 289544 12 |
| <i>New-York.</i> | | | New-York Proportion. | |
| Forwarded to New-York.... | 58 67 | 317 53 | 211 65 | 529 18 |
| Received from do. | 1471 07 | 7329 91 | 4886 33 | 12216 24 |
| Total | 1529 74 | 7647 44 | 5097 98 | 12745 42 |

APPENDIX XVI. B.

STATEMENT of Weight and Amount of Through Freight Traffic between the Grand Trunk Railway Company and Boston, for six months ending June 30th and December 31st, 1860.

| | Total Tons. | Total amount. | Grand Trunk Proportion. | Boston Boat Proportion. |
|---|-------------|---------------|----------------------------|----------------------------|
| | | \$ cts. | \$ cts. | \$ cts. |
| Forwarded to Boston..... | 17597 99 | 131663 15 | 105266 16 | 26396 99 |
| Received from do | 3241 71 | 29322 26 | 24459 80 | 4862 49 |
| Total to June 30 | 20839 70 | 160985 44 | 129725 96 | 31259 48 |
| Forwarded to Boston | 16441 29 | 126055 46 | 101393 57 | 24661 89 |
| Received from do | 3224 38 | 26322 51 | 21485 89 | 4536 62 |
| Total to Dec. 31st. | 19665 67 | 152377 97 | 122879 46 | 29198 51 |
| <i>Between Androsscoggin and Kennebec.</i> | | | Total Tons. | Grand Trunk Proportion. |
| From And. & Ken. Railway Stations to Boston to June 30 .. | | | 1083 66 | 758 52 |
| From And. & Ken. Railway Stations to Boston to Dec. 31 .. | | | 2085 91 | 1460 12 |

J. HARDMAN, Auditor.

Audit Office, Montreal, February 2nd, 1861.

APPENDIX XVI. C.
GRAND TRUNK RAILWAY.

Amount of Through Freight *via* Portland to and from Boston, from January to 30th June, 1860.

| STATIONS. | To Boston. | | From Boston. | |
|-------------------------|------------|-----------|--------------|----------|
| | Tons. | Amount. | Tons. | Amount. |
| | | \$ cts | | \$ cts. |
| Coaticooke..... | 112.45 | 440 65 | ..... | ..... |
| Compton..... | 76.13 | 320 61 | ..... | ..... |
| Waterville..... | 85.57 | 367 11 | ..... | ..... |
| Lennoxville..... | 10.05 | 41 20 | ..... | ..... |
| Sherbrooke..... | ..... | ..... | 13.15 | 66 60 |
| Windsor..... | 10.00 | 48 00 | ..... | ..... |
| Richmond..... | 161.96 | 872 51 | ..... | ..... |
| Acton..... | 9.51 | 67 17 | 51.35 | 366 37 |
| St. Hyacinthe..... | 759.16 | 3,733 75 | 31.61 | 172 98 |
| Belœil..... | 1.00 | 8 40 | ..... | ..... |
| Danville..... | 241.44 | 1,177 08 | ..... | ..... |
| Warwick..... | 3.30 | 18 15 | ..... | ..... |
| Arthabaska..... | 19.58 | 106 62 | ..... | ..... |
| Stanford..... | ..... | ..... | 9.90 | 37 64 |
| Somerset..... | 81.31 | 459 28 | ..... | ..... |
| Becancour..... | 9.00 | 77 40 | ..... | ..... |
| Point Levi..... | 87.54 | 433 34 | 468.32 | 2,918 10 |
| | 1,668.02 | 8,171.27 | 574.33 | 3,561 69 |
| Montreal..... | 301.33 | 1,478 37 | 1,442.53 | 7,337 55 |
| Vaudreuil..... | 2.17 | 10 66 | ..... | ..... |
| Coteau Landing..... | 31.82 | 247 63 | ..... | ..... |
| Lancaster..... | 139.53 | 1,154 50 | 1.99 | 14 68 |
| Summerstown..... | 5.43 | 58 10 | 30 | 1 06 |
| Cornwall..... | 11.22 | 94 14 | 59.79 | 333 45 |
| Dickinsons Landing..... | 17.14 | 181 23 | 2.69 | 14 89 |
| Williamsburg..... | 8.66 | 88 38 | 33 | 1 14 |
| Matilda..... | 5.28 | 54 10 | 27 | 1 89 |
| Prescott..... | 9.19 | 88 16 | 31.23 | 307 60 |
| Brookville..... | 19.14 | 133 31 | 23.43 | 236 57 |
| Lyn..... | 10.65 | 53 12 | 30.06 | 314 39 |
| Mallorytown..... | 9.19 | 63 23 | ..... | ..... |
| Gananoque..... | 1.19 | 10 13 | 19.86 | 168 92 |
| Kingston..... | 12.67 | 151 74 | 96.56 | 783 66 |
| Napanee..... | 5.06 | 50 75 | 1.60 | 16 72 |
| Belleville..... | 21.09 | 291 42 | 16.36 | 194 36 |
| Trenton..... | 1.45 | 18 82 | 4.84 | 57 17 |
| Brighton..... | 50.00 | 321 00 | 2.58 | 30 53 |
| Colborne..... | 1.60 | 23 23 | 2.13 | 25 95 |
| Cobourg..... | 415.97 | 2,637 57 | 14.30 | 176 39 |
| Port Hope..... | 611.24 | 4,218 11 | 12.96 | 157 13 |
| Newcastle..... | 321.00 | 1,978 75 | 2.51 | 34 54 |
| Bowmanville..... | 361.93 | 2,318 40 | 1.46 | 16 29 |
| Oshawa..... | 611.77 | 3,869 15 | 9.71 | 106 48 |
| Whitby..... | 438.66 | 3,157 93 | 4.78 | 64 45 |
| Duffins Creek..... | 40.00 | 260 00 | ..... | ..... |
| Frenchmans Bay..... | 10.80 | 60 00 | ..... | ..... |
| Scarboro..... | 20.00 | 130 00 | ..... | ..... |
| | 3,494.38 | 23,207 93 | 1,782.27 | |

APPENDIX XVI. C.—(Continued.)

GRAND TRUNK RAILWAY.

AMOUNT of Through Freight *via* Portland to and from Boston, from January to 30th June, 1860.

| STATIONS. | To Boston. | | From Boston. | |
|---------------------|------------|--------------|--------------|-------------|
| | Tons. | Amount. | Tons. | Amount. |
| Toronto West..... | 4,235.47 | \$ 19,367 16 | 373.72 | \$ 3,441 70 |
| Carlton..... | 190.65 | 1,214 03 | | |
| Weston..... | 168.00 | 1,297 20 | | |
| Malton..... | 107.20 | 754 06 | | |
| Brampton..... | 290.11 | 2,207 02 | 1.00 | 17 39 |
| Georgetown..... | | | 50 | 7 87 |
| Guelph..... | 695.65 | 5,600 29 | 14.50 | 252 68 |
| Bresler..... | | | 2.34 | 20 88 |
| Berlin..... | 62.02 | 768 41 | 3.50 | 52 31 |
| Hamburgh..... | 10.00 | 75 00 | 12 | 2 24 |
| Shakespeare..... | 18.46 | 163 23 | 8 | 1 22 |
| Stratford..... | 21.95 | 381 85 | 12.60 | 173 96 |
| St. Mary's..... | 85.70 | 668 23 | | |
| London..... | 13.55 | 181 80 | 32.70 | 501 29 |
| Sarnia..... | 4.65 | 83 27 | 1.34 | 18 05 |
| | 5,903.41 | 32,761 55 | 442.40 | 4,489 59 |
| Port Huron..... | 13.81 | 194 57 | 17.22 | 243 54 |
| New Baltimore..... | 9 | 1 65 | | |
| Ridgeway..... | | | 5.30 | 91 41 |
| Mount Clements..... | 1.31 | 23 52 | 1.51 | 12 87 |
| Detroit..... | 6,517.05 | 40,905 66 | 418.72 | 5,664 91 |
| | 6,532.26 | 41,135 40 | 442.75 | 6,012 73 |

NEW YORK.

| | | | | |
|-----------------|-------|--------|--------|----------|
| Montreal..... | 41.87 | 231 12 | 466.90 | 2,317 13 |
| Point Levi..... | 6.18 | 34 72 | 570.27 | 2,915 76 |

J. HARDMAN, Auditor.

Audit Office, Mdse. Department.

Montreal, 19th December, 1860.

APPENDIX XVIII.—GRAND TRUNK RAILWAY.

STATEMENT shewing the leading particulars of the present Locomotive Stock.—(Continued.)

| No. of Engine. | Name of Builder. | Date of Delivery. | Passenger or Freight. | Weight | | Extreme length of Engine and Tender. | Cylinders. | | Wheels. | | Section where Stationed. |
|----------------|------------------|-------------------|-----------------------|-----------------------------|-----------------------------|--------------------------------------|------------|---------|---------------------|---------|--------------------------|
| | | | | Of Engine in working order. | Of Tender in working order. | | Diameter. | Stroke. | Inside or out-side. | No. |  | Driving Wheels whether Wrought or Cast. | Diameter of Driving Wheels. |
| 85 | Peto and Co. | Nov., 1856, | Fight. | Tons. Cwt. | Tons. Cwt. | ft. in. | in. | in. | Wrought | ft. in. | Central. |
| 86 | Kimmond Brothers | Oct., 1856, | Pass. | 25 12 | 18 7 | 43 10 | 20 | 21 | Cast. | 5 6 | do |
| 87 | Do | Nov., 1856, | do | 28 2 | 16 9 | 46 5 | do | do | do | do | do |
| 88 | Ontario Foundry | Oct., 1856, | do | do | do | do | 20 | 20 | do | do | do |
| 89 | Do | do | do | 24 2 | 14 10 | 45 6 | do | do | do | do | do |
| 90 | Do | do | do | do | do | do | do | do | do | do | do |
| 91 | Do | do | do | do | do | do | do | do | do | do | do |
| 92 | Do | Nov., 1856, | do | do | do | do | do | do | do | do | do |
| 93 | Do | Feb., 1857, | do | do | do | do | do | do | do | do | do |
| 94 | Manchester Works | Nov., 1856, | do | 25 6 | 15 0 | 46 4 | do | do | Wrought | 6 0 | Western. |
| 95 | Do | do | do | do | do | do | do | do | do | do | do |
| 96 | Do | Dec., 1856, | do | do | do | do | do | do | do | do | do |
| 97 | Do | do | do | do | do | do | do | do | do | do | do |
| 98 | Do | Nov., 1856, | do | do | do | do | do | do | do | do | do |
| 99 | Do | do | do | do | do | do | do | do | do | do | do |
| 100 | Do | do | do | 23 10 | 16 0 | 39 9 | do | do | Wrought | 5 0 | Portland. |
| 101 | Portland Co. | Sep., 1848, | Fight. | do | do | 41 0 | do | do | do | do | do |
| 102 | Do | Dec., 1848, | do | 22 15 | do | 46 0 | do | do | do | 5 6 | do |
| 103 | Do | Feb., 1849, | do | 24 4 | do | 46 0 | do | do | do | do | do |
| 104 | Do | May, 1849, | Pass. | 22 7 | do | 41 3 | do | do | do | do | do |
| 105 | Do | Dec., 1849, | do | 22 8 | do | 41 1 | do | do | do | do | do |
| 106 | Do | Feb., 1850, | do | do | do | do | do | do | do | 5 0 | do |
| 107 | Do | Jan., 1851, | Fight. | do | do | do | do | do | do | do | do |

| | | | | | | | | | | | | | |
|-----|-------------------------|--------------|--------|-------|-------|-------|----|----|---------|----|-------|-----|-----------|
| 108 | Portland Co. | Jan., 1851, | Fight. | 24 4 | 18 4 | 42 6 | 17 | 22 | Inside. | 8 | Cast. | 5 0 | Portland. |
| 109 | Do | Dec., 1851, | do | 22 7 | 16 0 | 42 0 | 14 | 20 | do | do | do | do | |
| 110 | Do | Jan., 1852, | Pass. | do | do | 42 0 | 15 | 20 | do | do | do | do | |
| 111 | Do | April, 1852, | Fight. | 20 0 | 13 5 | 38 3 | 13 | 20 | do | do | do | do | |
| 112 | Do | June, 1852, | do | 22 12 | 15 0 | 42 0 | 14 | 22 | do | do | do | do | |
| 113 | Do | Nov., 1852, | do | 22 7 | 16 0 | 39 6 | 15 | 22 | do | do | do | do | |
| 114 | Do | Jan., 1853, | do | 24 4 | 18 4 | 42 6 | 16 | 22 | do | do | do | do | |
| 115 | Do | do | Pass. | 21 9 | 14 6 | 38 6 | 14 | 20 | do | do | do | do | |
| 116 | Do | April, 1853, | Fight. | 23 10 | 16 0 | 42 3 | 15 | 22 | do | do | do | do | |
| 117 | Do | do | do | 24 0 | 14 11 | 43 0 | 15 | 20 | do | do | do | do | |
| 118 | Do | May, 1853, | do | do | do | do | do | do | do | do | do | do | |
| 119 | Do | June, 1853, | do | 23 8 | 14 3 | 38 6 | 16 | 20 | do | do | do | do | |
| 120 | Do | do | Pass. | 24 4 | 18 4 | 42 6 | 16 | 20 | do | do | do | do | |
| 121 | Do | Sept., 1853, | Fight. | 22 0 | 14 6 | 41 9 | 14 | 20 | Out. | do | do | do | |
| 122 | Do | Nov., 1853, | Pass. | 22 0 | 14 6 | 41 9 | 14 | 20 | Inside. | do | do | do | |
| 123 | Do | do | do | 23 10 | 16 0 | 41 0 | 15 | 20 | do | do | do | do | |
| 124 | Boston Locomotive Works | Mar., 1854, | Fight. | 23 17 | do | 43 0 | 15 | 24 | Out. | do | do | do | |
| 125 | Do | do | do | do | do | do | do | do | do | do | do | do | |
| 126 | Portland Co. | Jan., 1851, | Pass. | 22 7 | do | 44 6 | do | 20 | Inside. | do | do | do | |
| 127 | Do | Mar., 1857, | Fight. | 25 10 | 17 13 | 45 0 | 16 | 22 | do | do | do | do | |
| 128 | Do | do | do | 22 17 | 15 13 | 41 3 | 15 | 22 | do | do | do | do | |
| 129 | Do | Mar., 1854, | do | do | do | 41 6 | do | do | do | do | do | do | |
| 130 | Do | do | Pass. | 21 19 | 14 6 | 41 3 | 14 | 20 | do | do | do | do | |
| 131 | Do | Feb., 1854, | do | do | do | 41 9 | do | do | do | do | do | do | |
| 132 | Do | Mar., 1854, | do | do | do | 41 9 | do | do | do | do | do | do | |
| 133 | Boston Locomotive Works | July, 1854, | Fight. | 21 0 | do | 40 3 | 17 | 20 | do | do | do | do | |
| 134 | Do | do | Pass. | 24 16 | 18 4 | 44 0 | 17 | 20 | do | do | do | do | |
| 135 | Portland Co | Mar., 1857, | do | do | do | 45 0 | 16 | 20 | do | do | do | do | |
| 136 | Do | Aug., 1854, | do | 25 18 | 17 16 | 45 0 | do | do | Out. | do | do | do | |
| 137 | Do | do | Fight. | 24 16 | 17 0 | 44 0 | do | do | Inside. | do | do | do | |
| 138 | Do | April, 1852, | do | 28 16 | 17 10 | 44 0 | do | do | do | do | do | do | |
| 139 | Good. Toronto. | Sept., 1854, | do | 26 0 | 16 0 | 48 3 | 15 | 20 | Out. | do | do | do | |
| 140 | Portland Co. | Dec., 1851, | do | 24 4 | 17 16 | 42 6 | 16 | 22 | Inside. | do | do | do | |
| 141 | Do | Aug., 1852, | do | do | do | 43 0 | do | do | do | do | do | do | |
| 142 | Do | Nov., 1856, | do | 26 0 | 16 0 | 48 8 | 16 | 20 | Out. | do | do | do | |
| 143 | Do | Mar., 1858, | Pass. | 27 0 | do | do | do | do | Inside. | do | do | do | |
| 144 | Portland Co. | Jan., 1857, | Fight. | 25 10 | 17 3 | 44 3 | 16 | 22 | Out. | do | do | do | |
| 145 | Peto & Co. | Dec., 1856, | do | 25 12 | 18 7 | 43 10 | 16 | 22 | do | do | do | do | |

APPENDIX XVIII.—GRAND TRUNK RAILWAY.

STATEMENT shewing the leading particulars of the present Locomotive Stock.—(Continued.)

| No. of Engine. | Name of Builder. | Date of delivery. | Passenger or Freight | Weight | | Extreme Length of Engine and Tender. | Cylinders. | | | Wheels. | | | Section where Stationed. |
|----------------|----------------------------|-------------------|----------------------|-----------------------------|-----------------------------|--------------------------------------|------------|---------|--------------------|---------|---------------------------------|-----------------------------|--------------------------|
| | | | | Of Engine in working order. | Of Tender in working order. | | Diameter. | Stroke. | Inside or Outside. | No. | Driving wheels wrought or cast. | Diameter of driving wheels. | |
| | | | | Tons | Cwt. | ft. in. | in. | in. | in. | | | ft. in. | |
| 208 | Kingston Locomotive Works. | Jan., 1859, | Pass. | 24 | 2 | 46 | 16 | 20 | Inside. | 8 | Cast. | 5 6 | Western. |
| 209 | Grand Trunk Railway Co. | May, 1859, | Frigh. | 29 | 0 | 50 | do | 24 | Out. | do | do | 5 0 | Central. |
| 210 | Portland Co. | Feb., 1860, | do | 25 | 10 | 44 | do | 22 | do | do | do | do | Portland. |
| 211 | Do | July, 1860, | do | do | do | do | do | do | do | do | do | do | do |
| 212 | Hamilton Locomotive Works. | May, 1860, | Pass. | 29 | 16 | 46 | 15½ | 21 | Inside. | do | do | 5 6 | Western. |

N. B.—All the above Engines are coupled with the exception of three—Nos. 23, 45 and 70.

1st December, 1860.

W. S. MACKENZIE.

APPENDIX XVIII.—GRAND TRUNK RAILWAY.
RETURN OF PASSENGER AND FREIGHT CARS ON LINE.

| MAKER'S NAME. | 1st Class. | 2nd Class. | Compo-site. | Baggage and Post Office. | Baggage. | Brake-vans. | Box. | Cattle. | Plat-forms. | Ballast. | Snow ploughs. |
|------------------------------------|------------|------------|-------------|--------------------------|----------|-------------|------|---------|-------------|----------|---------------|
| Cantion, Montreal. | | | | | | | 9 | | | | |
| McClean & Co | 24 | 17 | 1 | 14 | 6 | | 268 | | 500 | 22 | 7 |
| Peto & Co | 35 | 32 | 1 | 12 | 12 | 8 | 158 | 50 | 228 | 63 | 10 |
| O'Meara | 1 | | | | | | 16 | | 10 | | 2 |
| Carmichael & Co | 2 | | | | | | 25 | 1 | 90 | 32 | |
| G. T. Ry. Comp'y, Pt. St. Charles. | 6 | | | 4 | | 14 | 288 | | 40 | | 4 |
| Gzowski & Co | | | | | | | | | | | |
| Pierson & Co | 2 | | | | | | 254 | | | | |
| M. Raullett | | | | | | 3 | 27 | | | | |
| Russell, Detroit | | | | | | | 100 | | | | |
| Portland Company | 10 | | | 6 | 4 | 3 | 300 | | 200 | 16 | 11 |
| Watson & Co. | 2 | | | | | | | | | | |
| Osgood Bradley | 10 | | | | | 6 | 180 | | | | |
| Totals | 92 | 49 | 2 | 36 | 22 | 34 | 1625 | 51 | 1068 | 133 | 34 |

OF THE ABOVE CARS THE FOLLOWING WERE MANUFACTURED IN THE STATES.

| | 22 | ..... | 6 | 4 | 12 | 607 | ..... | 200 | 16 | 11 | |
|------------------------|----|-------|---|----|----|-----|-------|-----|------|-----|----|
| CANADIAN MANUFACTURES. | | | | | | | | | | | |
| | 70 | 49 | 2 | 30 | 18 | 22 | 1018 | 51 | 868 | 117 | 23 |
| Totals | 92 | 49 | 2 | 36 | 22 | 34 | 1625 | 51 | 1068 | 133 | 34 |

N. B.—All these cars are subject to cross the Line into the States, at any time.

(Signed,) W. S. MACKENZIE.

NOTE.—It is impossible with any degree of accuracy to apportion the Cars to each District of the Line as was done in Mr Blackwell's Report of 1869, all except the Passenger and Baggage Cars being liable to travel the whole length of the road, and do so frequently. The Passenger Cars (20) and Baggage and Express Cars (10) on Portiana District are the only Cars that never leave their District.

W. SHANLY.

APPENDIX XIX.

Pointe Saint Charles, 31st January, 1861.

JOSEPH ELLIOTT, Esq., Secretary and Treasurer, G. T. R., Montreal.

My Dear Sir,

In reply to yours of the 23rd instant, I beg to subjoin a statement which I believe contains the information you require.

There has only been delivered for the narrow guage, or Detroit extension, 10 Box Cars from Dean and Eaton, Detroit, since my return sent to you on the 20th November last, and which are included in this statement.

I am, dear Sir,

Yours truly,

W. S. MACKENZIE.

E N G I N E S

| CONTRACTED FOR. | | Delivered and included in my last report. | Delivered since. | Remaining to be delivered. | REMARKS. |
|------------------------|----------------|---|------------------|----------------------------|----------|
| Portland Company..... | 4 Freight..... | ..... | ..... | 4 | |
| Canada Works..... | 6 “..... | ..... | ..... | 6 | |
| Fairbairn Manr..... | 6 “..... | ..... | ..... | 6 | |
| Kingston Loco. Works.. | 6 Pony..... | ..... | ..... | 6 | |

C A R S .

| | | | | | |
|------------------------|----------------------|-------|-------|-------|---------------------------------|
| Pierson Niagara..... | 100 Box..... | 75 | ..... | 25 | |
| Kingston Loco. Works.. | 100 “..... | ..... | ..... | 100 | |
| A. Cantin..... | 100 “..... | 9 | 13 | 78 | |
| Portland Company..... | 200 “..... | ..... | ..... | 200 | |
| Eaton & Gilbert..... | 6 first class..... | ..... | ..... | 6 | |
| Wasson & Co..... | 6 “..... | 2 | ..... | 4 | |
| Pt. St. Charles..... | 4 sleeping cars..... | 3 | 1 | ..... | } These cars are half finished. |
| Do..... | 4 first class..... | ..... | ..... | 4 | |
| Do..... | 50 Box..... | 50 | ..... | ..... |  |
| Cammell & Co..... | 26 “..... | ..... | 16 | 10 | |
| Dean & Eaton..... | 10 “..... | ..... | 10 | ..... | Narrow guage. |

APPENDIX XX.

THIS INDENTURE made the first day of November, in the year of Our Lord, one thousand eight hundred and fifty-nine, between Casimir Stanislaus Gzowski, David Lewis Macpherson, Theodore Pomeroy, Robert Pomeroy, Nathan Washburn and William Pollock, carrying on business together under the name and style of the Toronto Rolling Mill Company, and hereinafter styled the Toronto Rolling Mill Company, of the first part; and the Grand Trunk Railway Company of Canada, of the second part.

Witnesseth that the said parties hereto mutually covenant, the first for themselves, their heirs, executors and administrators, and the second for themselves and their successors, as follows:

First.—That the Contract hereinafter contained shall continue from the first day of November, for the term of ten years, unless sooner terminated by the consent of both parties.

Second.—The parties of the first part agree for the consideration hereinafter mentioned, to re-manufacture, in the manner hereinafter mentioned, all such Iron Rails belonging to the parties of the second part, as they, the parties of the second part, may require to be re-manufactured.

Third.—The parties of the first part agree to deliver to the parties of the second part new rails of such pattern and finish as may be required, equal in weight to the old rails delivered by the parties of the second part to them, such delivery to be made at the Rolling Mill Company's Works, at the City of Toronto, at the Railway track of the parties of the second part or at a siding connected with the said track, and so as to be conveniently accessible to the parties of the second part with their Cars and Engines, or at such other place at the said works as may be agreed on as hereinafter mentioned.

Fourth.—The parties of the first part agree that the process adopted by them in re-manufacturing the said old rails shall, unless altered with the consent of the parties of the second part, consist in welding or fagotting under a Hammer or Hammers of adequate weight and fall, the said old rails together with new iron into a complete solid mass or pile. The rollers being used only for the proper shaping of the rail. The said manufactured rails to be of such quality as may be approved of by the parties of the second part or other agent appointed for that purpose.

Fifth.—It is mutually agreed that the proportion of new iron to the old rail shall be that which may be found to be required to the working up the old rails, so as to make the weight of the new rails equal to the weight of the old rails delivered.

Sixth.—The parties of the second part agree that they will deliver to the parties of the first part, at the Toronto Rolling Mill Company's Works, at Toronto, all the iron rails of the parties of the second part, that may, in their judgment, require to be re-manufactured, the said iron rails to be

delivered by the parties of the second part, such delivery to be made alongside the Railway track of the parties of the second part or at a siding connected with said track, and so as to be conveniently accessible to the parties of the first part.

Seventh.—The parties of the second part agree to pay to the parties of the first part the sum of twenty-nine dollars and fifty cents per ton, of two thousand two hundred and forty pounds, for all rails delivered by the parties of the first part, which may have been re-manufactured from the old rails taken from that portion of the Railway of the parties of the second part, lying to the West of Kingston; and the sum of twenty-eight dollars and fifty cents per ton, of two thousand two hundred and forty pounds, for all such rails as may have been re-manufactured from the old rails taken from that portion of the Railway of the parties of the second part lying to the East of Kingston, the Railway Station of the parties of the second part being the dividing point.

Eighth.—The parties of the second part agree to make payments, at the rate aforesaid, to the parties of the first part, monthly, upon the certificate of the Engineer of the parties of the second part or the person appointed to receive or weigh the same, of the amount of iron re-manufactured and delivered, and it is agreed that such certificate shall not be withheld or delayed, and in the event of the Engineer or other person appointed to receive or weigh the said iron neglecting to furnish such monthly certificate for the space of twenty-one days after the same should have been furnished, the parties of the second part shall and will pay to the parties of the first part, at the rate aforesaid, such amount as may be certified by any one of the parties of the first part as having been actually re-manufactured and delivered, such certificate not being conclusive between the parties if it shall afterwards appear that any error had been made in same.

Ninth.—It is agreed that as it may be inconvenient for the parties of the second part to remove the re-manufactured rails as rapidly as they may be delivered by the parties of the first part, some place may be agreed upon between the parties hereto where the rails may be delivered, to await the convenience of the parties of the second part to take away the same, and a delivery by the parties of the first part at such place shall be taken to be a delivery under their Contract.

In Witness whereof, the said parties to these presents have hereunto set their hands and affixed their Seals, the day and year first above written.

(Signed,)

THOS. E. BLACKWELL,
Vice President.

C. S. GZOWSKI,
D. L. MACPHERSON,
THOS. POMEROY,

By ROBT. POMEROY,
His Attorney.
ROBT. POMEROY.

Signed, sealed and delivered
in presence of

(Signed,) J. M. GRANT.

APPENDIX XXI.

[Copy.]

THIS AGREEMENT made the first day of May, in the year of Our Lord, one thousand eight hundred and fifty-nine, between Robert Pomeroy, of the Town of Pittsfield, Esquire, of the first part; and the Grand Trunk Railway Company of Canada, of the second part.

Witnesseth that the parties hereto covenant and agree as follows:

First.—The said Robert Pomeroy agrees to Manufacture, from Oil to be delivered to him free of charge at his Works at Toronto, by the said The Grand Trunk Railway Company of Canada, a description of Oil, known as “Masons Sperm Oil,” and to deliver the said “Masons Sperm Oil” to the said Company, at his said Works in the City of Toronto.

Second.—The said Company agree to pay to the said Robert Pomeroy the sum of Five Thousand Dollars as a Bonus, for establishing the Works for the manufacture of the said “Masons Sperm Oil.”

Third.—The said Company agree to take from the said Robert Pomeroy all the Oil required by them for the use of their Railway for the term of Five Years, from the first day of December last past, and to pay to the said Robert Pomeroy for manufacturing the same the following rates and prices, that is to say: If the quantity required by the said Company shall exceed forty thousand gallons a year, the Company agree to pay the sum of twenty-five cents per gallon for each gallon of Oil manufactured; if the quantity required shall be less than forty thousand gallons and more than thirty thousand gallons, the Company agree to pay the sum of thirty cents per gallon for each gallon of Oil manufactured; if the quantity required shall be less than thirty thousand gallons and more than twenty thousand gallons, the sum of thirty-five cents per gallon for each gallon of Oil manufactured; and if the quantity shall be less than twenty thousand gallons, the sum of forty cents per gallon for each gallon of Oil manufactured.

Fourth.—The Company agree to deliver to the said Robert Pomeroy, at his Works, in the City of Toronto, free of charge, Oil of such quality and description as shall be reasonably fit for manufacture by the said Robert Pomeroy into “Masons Sperm Oil,” and all Oil delivered shall be at the risk of the said Company whether the same be manufactured or unmanufactured or in course of manufacture.

Fifth.—The said Company agree to grant to the said Robert Pomeroy a Lease of the Premises in the possession of the said Robert Pomeroy, at the City of Toronto, and which are the property of the said Company during the continuance of this Contract, at such rent as may be agreed on to be paid to the said Company, such Lease to contain the usual covenants and the said Robert Pomeroy to have the right to remove all buildings, machinery or other improvements made by him during said Lease.

Sixth.—The said Robert Pomeroy agrees that he shall and will, for the consideration aforesaid, manufacture all the Oil which may be required by said Company during the continuance of this Contract, and will, from the Oil so to be furnished to him by the said Company as aforesaid, furnish Oil of the description known as “Masons Sperm Oil” of good quality, and manufactured and adapted to the season of the year when the same is required to be used, and shall and will use due care and diligence to prevent loss or damage arising to the said Oil so to be delivered to him.

Lastly.—The parties to this Contract mutually covenant the said The Grand Trunk Railway Company of Canada, for themselves and their successors, and the said Robert Pomeroy for himself, his heirs, executors and administrators, to observe, fulfil and keep each and every covenant and agreement on their respective parts to be observed and kept.

In Witness whereof, the parties to these presents have hereunto set their Seals and the said Robert Pomeroy has affixed his hand.

(Signed,) ROBERT POMEROY,
 THOMAS E. BLACKWELL,
 Vice President.
 JOHN M. GRANT,
 Secretary.

Witness to Signature
 of R. POMEROY.

(Signed,) J. T. BRONDGEEST.

APPENDIX XXII.

Board of Directors in Canada.

| | | |
|----------------------------|---|---|
| Thos. Baring, Esq., M. P. | } | £200 sterling per annum, to 31st March, |
| Geo. C. Glynn, Esq., M. P. | | 1860. |
| H. Wollaston Blake, Esq. | | |
| Kirkman D. Hodgson, Esq. | } | £100 sterling per annum from 1st April, |
| William Chapman, Esq. | | 1860. |

London Office, as far as Montreal Office can afford information.

| | | |
|---|---------|----------------|
| J. M. Grant, London Secretary, per annum, | .. .. | £600 sterling. |
| Thos. Green, Registrar, | " | 500 " |
| T. W. Wood, | " | 175 " |
| P. L. Carman, | " | 250 " |
| J. R. Pearce, | " | 150 " |
| Hy. Green, Jr., | " | 80 " |
| J. S. Nugent, | " | 40 " |
| S. G. Green, | " | 40 " |
| Thos. Long, | " | 40 " |

£1875 sterling.

Board of Directors, Canada.

| | | |
|--|--|--|
| Hon. John Ross, President, | £1000 sterling, per annum. | |
| Thos. E. Blackwell, Vice-President and Managing Director..... | } £2500 sterling, per annum. | |
| Hon. G. Crawford, M. L. C. | | |
| Major Campbell, M. P. P. | } £200 sterling, per annum, to 30th June, 1860. | |
| Hon. W. Cayley, M. P. P. | | |
| Jas. Beaty, Esq. | } £100 sterling per annum, from 1st July, 1860. | |
| Thos. G. Ridout, Esq. | | |
| Hon. Jas. Ferrier, M. L. C. | | |
| Hon. Sir E. P. Taché, M. L. C. | 1860. | |

(One vacancy since the death of Hon. P. McGill.)

Managing Directors Department.

| | | |
|--|-------|---------------|
| Arthur Clarke, General Clerk, per annum, | .. .. | \$1460 |
| Edward Hester, Assistant " " .. .. | .. .. | 600 |
| William Graham, Office Keeper and Messenger, per annum, .. | .. .. | 384 |
| | | <u>\$2444</u> |

Secretary and Treasurer's Department.

| | | |
|---|---------|-----------|
| Joseph Elliott, Secretary and Treasurer, per annum, | .. | \$2920 00 |
| Henry Smith, Accountant, | " | 1703 33 |
| Henry Hemming, Book-Keeper, | " | 1400 00 |

Secretary and Treasurer's Department.—Continued.

| | | |
|---|------------|------------|
| Arthur Ross, Assistant Book-Keeper, | per annum, | \$1000 00 |
| William Macbean, Stock and Transfer Clerk, .. | " | 1000 00 |
| James Doran, Cashier, | " | 1000 00 |
| Edward Graham, Clerk in Accountant's Branch, | " | 1000 00 |
| H. K. Ritchie, Clerk in charge of Stationery, | " | 900 00 |
| Joseph J. Cockburn, Clerk in Secretary's Office, | " | 700 00 |
| J. G. Baylis, Assistant in Stationery Department, | " | 400 00 |
| Henry Bailey, Junior, Clerk in Accountant's Branch, | " | 320 00 |
| Benjamin Robinson, Office Keeper and Messenger, | " | 460 00 |
| William Turner, Assistant Messenger, | " | 120 00 |
| W. H. Höpper, Auditors Clerk, | " | 1000 00 |
| | | \$13923 33 |

Paymaster's Department.

| | | |
|------------------------------------|------------|-----------|
| David Davidson, Paymaster, | per annum, | \$2000 00 |
| G. S. Hickey, Assistant " | " | 800 00 |
| W. M. Jamieson, " | " | 720 00 |
| S. B. Haskell, " | " | 1000 00 |
| W. A. Bradbury, " | " | 364 00 |
| | | \$4884 00 |

JOS. ELLIOTT, Secretary-Treasurer.

General Traffic Managers Department.

| | | |
|--|------------|------------|
| Walter Shanly, General Manager, | per annum, | \$7300 00 |
| Henry Bailey, Assistant " | " | 2919 96 |
| M. Pennington, Goods' Manager, | " | 2919 96 |
| Jas. Hardman, Traffic Auditor, | " | 2919 96 |
| Wm. A. Smith, Assistant " | " | 1600 00 |
| A. G. Davis, Telegraph Superintendent, .. | " | 1200 00 |
| S. T. Webster, Superintendent Central Division, .. | " | 1600 00 |
| J. S. Martin, " Eastern " | " | 1600 00 |
| S. T. Corser, " Portland " | " | 1800 00 |
| C. R. Christie, " Western " | " | 2000 00 |
| | | \$25859 88 |

Agencies, &c.

| | | |
|----------------------------------|------------|---------------|
| Jas. Warwick, Chicago, | per annum, | \$2500 00 and |
| commission on passengers. | | |
| W. B. Wilson, Chicago, | " | 600 00 |
| G. G. Street, " | " | 360 00 |
| J. Wooley, Kingston, | " | 720 00 |
| C. J. Baldwin, Ogdensburg, | " | 1000 00 |

Agencies, &c.—Continued.

| | | | | | |
|---------------------|-------------------|----|----|------------|------------|
| J. Flannigan, | Ogsdenburg, | .. | .. | per annum, | \$600 00 |
| W. O'Brien, | Montreal, | .. | .. | " | 900 00 |
| A. Samuels, | Quebec, | .. | .. | " | 500 00 |
| W. Flowers and Son, | Bangor, | .. | .. | " | 2050 00 |
| L. Millis, | Boston, | .. | .. | " | 1600 00 |
| H. W. Adams, | " | .. | .. | " | 450 00 |
| J. Leggett, | " | .. | .. | " | 150 00 |
| J. Robinson, | Concord, | .. | .. | " | 200 00 |
| L. S. Grover, | Concord Junction, | .. | .. | " | 200 00 |
| B. Arnold, | Toronto, | .. | .. | " | 600 00 |
| | | | | | \$12430 00 |
| | | | | | \$12430 00 |

M. Randall, at Buffalo and F. B. Gaylord, at Ottawa City, are paid by commissions.

GENERAL TRAFFIC MANAGER'S DEPARTMENT—(Continued.)

SALARIES AND WAGES PER MONTH, to

| Rate per Month. | Station Agents. | Conductors. | Baggage-men. | Brake-men. | Clerks in | | | Other Office Clerks. | Freight Clerks. | Ticket Clerks. | Freight Hands. | *Telegraph Operators. | Watchmen. | TOTAL |
|-----------------|-----------------|-------------|--------------|------------|---------------------------|------------------|----------------|----------------------|-----------------|----------------|----------------|-----------------------|-----------|---------|
| | | | | | General Manager's Office. | Goods Manager's. | Traffic Audit. | | | | | | | |
| \$ cts. | | | | | | | | | | | | | | \$ cts. |
| 5 00 | | | | | | | | | | | | 2 | 2 | 20 00 |
| 8 33 | 1 | | | | | | | | | | | | | 8 33 |
| 10 00 | 1 | | | | | | | | | 1 | | 1 | | 40 00 |
| 12 50 | | | | | | | | | | 1 | | 2 | | 37 50 |
| 15 00 | 1 | | | | | | | | | | | 4 | | 75 00 |
| 16 66 | 4 | | | | | | | | | | 1 | | | 116 62 |
| 20 00 | 2 | | | | | | 2 | 2 | 2 | 2 | 1 | 2 | 5 | 520 00 |
| 22 50 | | | | | | | | | | 7 | | 1 | | 180 00 |
| 23 33 | | | | | | 1 | 2 | | | | | | | 70 00 |
| 25 00 | 1 | | | | | | | | | | | 10 | 9 | 725 00 |
| 26 00 | 19 | | | | | | | 4 | 2 | 12 | | | 14 | 1326 00 |
| 26 66 | | | | | | | | | | | | | | 26 66 |
| 28 00 | | | | | | | | | | | | | | 28 00 |
| 30 00 | 8 | | | 160 | | | 1 | 3 | 4 | 2 | 3 | 3 | 6 | 5700 00 |
| 32 50 | | | | | | 1 | | | | | 5 | | 4 | 350 00 |
| 33 33 | 38 | | | | 1 | 2 | 2 | 13 | 1 | 2 | 1 | 1 | | 2033 13 |
| 35 00 | | | 23 | | | | 2 | 3 | 1 | 2 | 4 | | | 1225 00 |
| 36 66 | 3 | | | | | | | | | | | | | 109 89 |
| 40 00 | 28 | 39 | | | | | 3 | 6 | 2 | 10 | 4 | 1 | | 3720 00 |
| 41 66 | 2 | | | | | | | 1 | | | | | | 124 98 |
| 43 33 | | | | | | | 1 | | | | | | | 43 33 |
| 45 00 | 1 | 31 | | | | | | | 1 | 1 | 2 | | | 1620 00 |
| 46 66 | 2 | | | | | | 2 | | | | | | | 186 64 |
| 50 00 | 17 | 17 | | | | 1 | 1 | 2 | 3 | | 2 | 2 | | 2250 00 |
| 54 17 | 1 | | | | | | | | | | | | | 54 17 |
| 55 00 | | 2 | | | | | | 1 | | | 1 | | | 220 00 |
| 58 33 | 1 | | | | | | | | | | | | | 58 33 |
| 60 00 | 4 | | | | | | | | | | | | | 240 00 |
| 66 66 | 2 | | | | | | 2 | | | | | | | 266 64 |
| 83 33 | 1 | | | | | 1 | | | | | | | | 166 66 |
| 100 00 | 2 | | | | | | | | | | | | | 200 00 |
| 116 66 | 1 | | | | | | | | | | | | | 116 66 |
| 166 66 | 1 | | | | | | | | | | | | | 166 66 |
| | 141 | 69 | 23 | 160 | 1 | 4 | 19 | 13 | 36 | 20 | 41 | 55 | 42 | |

644 at a monthly total of \$22025 20

* Many of these act also as Ticket Clerks, and are partly paid under that head.

GENERAL TRAFFIC MANAGER'S DEPARTMENT—(Continued.)

DAILY WAGES, to

| Daily Rates. | Switch-men, Yard-men, Flag-men, Crossing Keepers, &c. | Porters, Freight & Baggage-men, Messengers, &c. | TOTAL. |
|--------------------------------|--|---|---------|
| \$ cts. | | | \$ cts. |
| 20 | | 1 | 20 |
| 30 | 1 | 3 | 1 20 |
| 35 | | 1 | 35 |
| 40 | 1 | 3 | 1 60 |
| 45 | | 3 | 1 35 |
| 50 | 2 | 3 | 2 50 |
| 55 | 1 | | 55 |
| 60 | 1 | 3 | 2 40 |
| 75 | 1 | 1 | 1 50 |
| 80 | 7 | 7 | 11 20 |
| 83 ¹ / ₃ | | 51 | 42 50 |
| 85 | 2 | 3 | 4 25 |
| 90 | 14 | 72 | 77 40 |
| 95 | | 3 | 2 85 |
| 1 00 | 63 | 68 | 133 00 |
| 1 05 | 3 | 6 | 9 45 |
| 1 10 | 5 | 10 | 16 50 |
| 1 15 | 32 | 13 | 51 75 |
| 1 25 | 6 | 5 | 13 75 |
| 1 35 | 4 | 1 | 6 75 |
| 1 40 | 1 | | 1 40 |
| 1 50 | 3 | | 4 50 |
| | 149 | 259 | |

408 at a daily total of \$366 95

Extra Labor as required.

W. SHANLY.

ENGINEERS DEPARTMENT.

| | |
|---|-----------|
| A. L. Trembicki, Assistant Engineer, per annum, | \$2920 00 |
| D. Starke, Divisional, do (East,) | 2920 00 |
| R. P. Cooke, do do (Central,) | 2400 00 |
| J. Robinson, do do (West,) | 2400 00 |
| W. Lawson, do do (Portland,) | 2000 00 |

Total per annum..... \$12640 00

| | | | |
|-----------------------|-----------------------|-----------|-----------|
| 1 Assistant at | \$133 33 | per month | 133 33 |
| 1 do | 100 00 | do | 100 00 |
| 2 do | 83 33 | do | 166 66 |
| 1 do | 66 77 | do | 66 67 |
| 2 do | 50 00 | do | 100 00 |
| 1 do | 15 00 | do | 15 00 |
| 1 Clerk at | 83 33 | do | 83 33 |
| 1 do | 60 00 | do | 60 00 |
| 1 do | 50 00 | do | 50 00 |
| 1 do | 45 00 | do | 45 00 |
| 1 do | 13 33 | do | 13 33 |
| 2 Messengers at | 30 00 | do | 60 00 |
| 1 do | 8 00 | do | 8 00 |
| 1 Inspector at | 100 00 | do | 100 00 |
| 15 do | 70 00 | do | 1050 00 |
| 1 do | 75 00 | do | 75 00 |
| 1 do | 66 67 | do | 66 67 |
| 7 do | 60 00 | do | 420 00 |
| 2 Foremen at | 45 50 | do | 91 00 |
| 3 do | 40 00 | do | 120 00 |
| 153 do | 36 00 | do | 5508 00 |
| 33 do | 32 50 | do | 1072 50 |
| <hr/> | | | |
| 227 at a | Monthly Total of..... | | \$9404 49 |

| | | | |
|--------------------------------------|--------|-----------|--------|
| 70 Labourers at..... | \$1 00 | per diem, | 70 00 |
| 103 do | 0 80 | do | 82 40 |
| 314 do | 0 70 | do | 219 80 |
| 3 Carpenters and Bridge repairers at | 1 92 | do | 5 76 |
| 1 do do | 2 00 | do | 2 00 |
| 3 do do | 1 75 | do | 5 25 |
| 2 do do | 1 73 | do | 3 46 |
| 2 do do | 1 54 | do | 3 08 |
| 8 do do | 1 50 | do | 12 00 |
| 1 do do | 1 60 | do | 1 60 |
| 7 do do | 1 40 | do | 9 80 |
| 10 do do | 1 25 | do | 12 50 |
| 1 do do | 1 20 | do | 1 20 |
| 2 do do | 1 12 | do | 2 24 |

ENGINEERS DEPARTMENT.—Continued.

| | | | | \$ | cts. |
|-------|---|-------|---------------------|-------|------|
| 5 | Carpenters and Bridge repairers at \$1 00 per diem, | | | 5 | 00 |
| 1 | do | do | 0 80 do | 0 | 80 |
| 3 | do | do | 0 77 do | 2 | 31 |
| 1 | Blacksmith, | do | 2 22 do | 2 | 22 |
| 5 | do | ..... | 2 00 do | 10 | 00 |
| 2 | do | ..... | 1 80 do | 3 | 60 |
| 1 | do | ..... | 1 75 do | 1 | 75 |
| 1 | do | ..... | 1 70 do | 1 | 70 |
| 3 | do | ..... | 1 60 do | 4 | 80 |
| 1 | do | ..... | 1 54 do | 1 | 54 |
| 2 | do | ..... | 1 50 do | 3 | 00 |
| 2 | do | ..... | 1 25 do | 2 | 50 |
| 2 | do | ..... | 1 12 do | 2 | 24 |
| 3 | do | ..... | 1 10 do | 3 | 30 |
| 14 | do | ..... | 1 00 do | 14 | 00 |
| 6 | do | ..... | 0 90 do | 5 | 40 |
| 2 | do | ..... | 0 80 do | 1 | 60 |
| <hr/> | | | | | |
| 581 | at a | | Daily Total of..... | \$496 | 85 |

LOCOMOTIVE AND CAR DEPARTMENT.

| | | | | \$ | cts. |
|-----|---------------------------------------|----|-------|-----|------|
| 1 | Superintendent at.....per diem..... | | | 11 | 50 |
| 33 | Foremen..... | do | ..... | 83 | 49 |
| 15 | Clerks..... | do | ..... | 22 | 05 |
| 2 | Draughtsmen..... | do | ..... | 4 | 80 |
| 1 | Gate Keeper..... | do | ..... | 1 | 55 |
| 14 | Time and Store Keeper..... | do | ..... | 18 | 34 |
| 108 | Fitters..... | do | ..... | 171 | 72 |
| 36 | Fitters Apprentices and Assistants... | do | ..... | 26 | 28 |
| 22 | Turners..... | do | ..... | 34 | 98 |
| 30 | Machine Men..... | do | ..... | 32 | 40 |
| 11 | Boiler Makers..... | do | ..... | 17 | 49 |
| 11 | Do. Apprentices and Assistants.. | do | ..... | 12 | 65 |
| 3 | Brass Founders..... | do | ..... | 4 | 80 |
| 3 | Do. Apprentices and Assistants... | do | ..... | 2 | 61 |
| 7 | Copper Smiths.... | do | ..... | 11 | 62 |
| 2 | Do. Apprentices and Assistants.. | do | ..... | 1 | 50 |
| 3 | Tin Smiths..... | do | ..... | 3 | 60 |
| 2 | Do. Apprentices and Assistants.... | do | ..... | 1 | 40 |
| 56 | Blacksmiths..... | do | ..... | 90 | 72 |
| 67 | Strikers..... | do | ..... | 68 | 34 |
| 4 | Spring Makers..... | do | ..... | 6 | 48 |
| 1 | Plumber and Gas Fitter..... | do | ..... | 1 | 60 |
| 6 | Pattern Makers..... | do | ..... | 9 | 24 |
| 101 | Carpenters..... | do | ..... | 135 | 34 |
| 49 | Car Repairers..... | do | ..... | 66 | 15 |

LOCOMOTIVE AND CAR DEPARTMENT.—Continued.

| | | \$ | cts. |
|-------|-----------------------------------|----|---------|
| 6 | Car Inspectors.....per diem..... | | 7 68 |
| 15 | Car Greasers.....do..... | | 15 45 |
| 10 | Car Cleaners.....do..... | | 8 40 |
| 1 | Sawyer.....do..... | | 1 00 |
| 5 | Pressmen.....do..... | | 5 30 |
| 11 | Painters.....do..... | | 16 28 |
| 1 | Upholsterer.....do..... | | 1 40 |
| 39 | Watchmen.....do..... | | 41 34 |
| 14 | Stationary Engine men.....do..... | | 16 66 |
| 156 | Locomotive Engine men.....do..... | | 195 50 |
| 154 | Firemen.....do..... | | 164 78 |
| 122 | Cleaners.....do..... | | 109 80 |
| 7 | Lighters.....do..... | | 7 35 |
| 45 | Pumpers.....do..... | | 47 25 |
| 68 | Labourers.....do..... | | 63 92 |
| 1 | Messenger.....do..... | | 1 10 |
| 11 | Boys.....do..... | | 4 95 |
| 4 | Steamboat Engine men.....do..... | | 4 96 |
| 1 | Do. Fireman.....do..... | | 1 53 |
| <hr/> | | | |
| 1259 | At a daily total of..... | \$ | 1555 30 |

STORE DEPARTMENT.

| | | | |
|-------|-----------------------------------|----|-------|
| 1 | Store Keeper.....at per diem..... | | 5 11 |
| 5 | Do.....do..... | | 10 73 |
| 3 | Clerks.....do..... | | 5 76 |
| 4 | Storemen.....do..... | | 5 08 |
| 1 | Belt maker.....do..... | | 1 25 |
| 1 | Timber measurer.....do..... | | 80 |
| 5 | Labourers.....do..... | | 5 55 |
| 1 | Messenger.....do..... | | 40 |
| <hr/> | | | |
| 21 | At a daily total of..... | \$ | 34 68 |

FUEL DEPARTMENT.

| | | | |
|-------|-----------------------------|----|--------|
| 2 | Clerks.....at per diem..... | | 3 74 |
| 6 | Wood Agents.....do..... | | 12 78 |
| 136 | Wood men.....do..... | | 126 48 |
| <hr/> | | | |
| 144 | At a daily total of..... | \$ | 143 00 |

APPENDIX XXIII.

GRAND TRUNK RAILWAY COMPANY OF CANADA.

Total unfunded Liabilities (with or without security) of the Company, to 31st December, 1860.

| A. LONDON. | | \$ cts. | \$ cts. |
|--|---------------|-----------|---------------|
| Interest—Interest in arrear—Debenture Capital, London..... | | | 655117 81 |
| Bills—Bills payable, London | 70566 63 | | |
| Bills payable, London Suspense Account | 1146413 64 | | |
| Bills payable, London, Overdue Bill Account..... | 1355366 66 | | |
| Bills of Exchange Account..... | 22093 97 | | 2594441 10 |
| Loans—Baring, Brothers and Company..... | 1468101 95 | | |
| Thos. Baring, Loan Account, 1860 | 261377 96 | | |
| Baring, Brothers and Company, New Loan, 1860.... | 158166 67 | | |
| Glyn and Company, Loan Account, 1860. | 1385174 96 | | |
| G. C. Glyn, Loan Account | 247835 00 | | |
| Glyn, Mills and Company, Expense Loan Account | 433 33 | | |
| Glyn, Mills and Company, New Loan, 1860..... | 158166 66 | | |
| Provincial Agents, Loan Account, 1860..... | 245831 66 | | |
| Financial Agents of Canada, (Loan Account, 15th Nov.) | 243333 33 | | |
| Loans on Company's ordinary 6 per cent. Bonds..... | 632666 65 | | |
| Loans on Toronto Corporation Bonds | 183765 33 | | |
| Peto and Company, Company's Debentures Loan Suspense Account..... | 28713 33 | | |
| D. K. Hodgson, Loan Account | 121540 22 | | |
| Glyn and Company, on Cash Current Account..... | 50344 56 | | 7377506 61 |
| | | | \$10627365 52 |
| B. CANADA. | | | \$ cts. |
| Special Loans—Government of Canada..... | | 178000 00 | |
| Special Loan—Bank of Upper Canada | | 200000 00 | |
| Bills Payable—General : | | | |
| Bills given since 30th June, 1860, included in Balances due to Tradesmen to avoid complications..... | | 155032 43 | |
| Due to Tradesmen on Stores, Fuel, Engineering, Stationery and Miscellaneous Accounts | | 588540 16 | |
| Wages due on Montreal Paymaster's Account..... | | 125443 61 | |
| Due Tradesmen and Wages, on Portland Treasurer's Account..... | | 79930 46 | |
| Due Chicago, Detroit and Canada G. T. J. Co, under existing Lease | | 166121 71 | |
| Due Gzowski & Co., Interest of Sarnia Mortgage | | 4872 00 | |
| Interest Account Point St. Charles Lands..... | | 2490 53 | |
| Toronto Mortgages | | 251 38 | |
| Toronto Rolling Mill for re-rolling rails..... | | 6108 95 | |
| Due Sundries per Schedule (a)..... | | 30914 59 | |
| | | | \$1538205 86 |
| <i>Summary.</i> | | | |
| A.—Liabilities in London..... | \$10627365 52 | | |
| B.—Liabilities in Canada..... | 1538205 86 | | |
| | \$12165571 38 | | |

(a) Liabilities referred to in Schedule B.

| | \$ | cts. |
|---|---------|------|
| Kingsford and Company | 7126 | 11 |
| Brockville and Ottawa Railway Company | 203 | 18 |
| Cobourg and Peterboro' Railway Company | 3815 | 53 |
| Works Suspense Account | 2107 | 50 |
| A. G. Davis | 59 | 06 |
| Suspense Account | 6487 | 42 |
| W. Shanly | 353 | 30 |
| J. Elliott | 250 | 31 |
| Honble. A. T. Galt | 180 | 00 |
| Honble. R. McClelland | 59 | 77 |
| Outstanding Traffic Charges, London | 767 | 33 |
| Suspense Account, London | 389 | 32 |
| Engineer Department Account | 9115 | 76 |
| | \$30914 | 59 |

STATEMENT of Liabilities incurred by Grand Trunk Railway Company of Canada, on Pay Rolls and Accounts, from 31st December, 1860, to 31st March, 1861; showing, also, Payments made during same period.

| | \$ | cts. |
|---|----------|------|
| Amount of Pay Rolls for months of January and February, 1861..... | 228378 | 89 |
| Approximate Amount for March, 1861..... (Pay Rolls not yet furnished Head Office.) | 118000 | 00 |
| Amount of Tradesmen's Accounts in Engineering, Fuel, Store and Miscellaneous Schedules, for the months of January and February, 1861..... | 116065 | 88 |
| Approximate Amount of similar Accounts, for the month of March, 1861... | 44500 | 00 |
| Reduced by— | | |
| Payments made on Pay Rolls, for January and February, 1861.. | \$228378 | 89 |
| Payments made on Pay Rolls of previous date | 154394 | 74 |
| Payments made on Tradesmen's Accounts in Engineering, Fuel, Store and Miscellaneous Schedules, January and February, 1861..... | 132684 | 23 |
| Decrease of Working Liabilities since 31st December last | \$8513 | 09 |
| Special Loan by Provincial Government, on 15th February, 1861, to pay wages, and to be repaid out of Receipts of Line | 120000 | 00 |
| Increase of Total Liability | \$111486 | 91 |

WM. H. HOPPER.

Grand Trunk Railway Company of Canada,
Montreal, 4th April, 1861.

ASSETS,

Beyond the Line and Plant of the Company, (Hypothecated or otherwise),
31st December, 1860.

| | \$ | cts. |
|---|-----------|------|
| Atlantic and St. Lawrence Stock | 158166 | 65 |
| Atlantic and St. Lawrence Debentures | 36500 | 00 |
| Toronto City Debentures | 252026 | 91 |
| Unissued Provincial Debentures | 9441 | 33 |
| Portland City Loan Sinking Fund, (in reduction of Lease) | 236250 | 00 |
| Portland Steamship Wharf—due thereon | 26694 | 39 |
| St. Lawrence Warehouse Company—Subscription | 123184 | 65 |
| Port Huron and Detroit Company—due on advances | 11432 | 45 |
| Do. do. on Works of Construction, Engineering Works and Stations | 29026 | 29 |
| Outstanding Freight Accounts | \$605119 | 16 |
| Less due for Agencies, Freight, &c | 58936 | 83 |
| | 546182 | 33 |
| Stores in hand | 395610 | 34 |
| Fuel in hand | 192108 | 65 |
| Cash at Bankers—Canada | \$127925 | 18 |
| Petty Cash | 127 | 97 |
| | 128053 | 15 |
| Due by Petty Debtors | 13915 | 58 |
| Canada Drawing Account | 24000 | 00 |
| T. E. Blackwell | 9976 | 85 |
| Gzowski & Co., rent of Rolling Mill | 2600 | 00 |
| Edmonstone, Allan & Co. | 2627 | 25 |
| Northern Railway Company | 7225 | 61 |
| Great Western Railway Company | 3762 | 50 |
| Michigan Central Railway Company | 341 | 92 |
| Port Hope and Lindsay Railway Company | 240 | 71 |
| Ontario Foundry Company | 605 | 80 |
| W. Rodden and Company | 4031 | 36 |
| D. Robertson | 4989 | 00 |
| J. Reekie | 16 | 84 |
| London Secretary's Drawing Account | 1569 | 35 |
| | \$3001146 | 61 |
| Lands in Canada— Balance unaccounted for by Baring, Brothers & Co., on account of Arthabaska and Subsidiary Lines | | |

H. HEMMING.

4th April, 1861.

APPENDIX XXIV.
GRAND TRUNK RAILWAY.

STATEMENT OF WEEKLY TRAFFIC RECEIPTS, SHEWING AVERAGE PER MILE PER WEEK, FROM JANUAURY 1, 1854.

| 1854. | | | | 1855. | | | |
|----------------|--------|------------|----------------------------|---------------|--------|-------------|----------------------------|
| Week ending | Miles. | Amount. | Average per mile per week. | Week ending | Miles. | Amount. | Average per mile per week. |
| January... 7 | 292 | \$ 8001 73 | \$ 27 40 | January.. 6 | 292 | \$ 14435 96 | \$ 49 44 |
| 14 | 292 | 8871 56½ | 30 31 | 13 | 292 | 15351 68 | 52 57½ |
| 21 | 292 | 10633 48 | 36 41½ | 20 | 292 | 11326 85 | 38 79 |
| 28 | 292 | 10842 50 | 37 13 | 27 | 292 | 11863 85 | 40 63 |
| February... 4 | 292 | 12333 16 | 42 23½ | February. . 3 | 292 | 12496 94½ | 42 80 |
| 11 | 292 | 10671 35½ | 36 84½ | 10 | 292 | 12223 37 | 41 86 |
| 18 | 292 | 10002 38½ | 34 25½ | 17 | 292 | 12547 22½ | 42 97 |
| 25 | 292 | 9605 13½ | 32 89½ | 24 | 292 | 14674 54½ | 50 25½ |
| March.... 4 | 292 | 12195 12½ | 41 76½ | March... 3 | 292 | 15053 20½ | 51 55 |
| 11 | 292 | 12243 45½ | 41 93 | 10 | 292 | 17774 41½ | 60 87 |
| 18 | 292 | 13251 51½ | 45 38 | 17 | 292 | 15557 71½ | 53 23 |
| 25 | 292 | 13793 07½ | 47 23½ | 24 | 292 | 18516 64 | 63 41 |
| April.... 1 | 292 | 11500 77 | 39 38½ | 31 | 292 | 17258 19 | 59 10 |
| 8 | 292 | 14549 91 | 49 49 | April.... 7 | 292 | 15429 39 | 52 84 |
| 15 | 292 | 12873 26 | 44 08½ | 14 | 292 | 17008 37½ | 58 25 |
| 22 | 292 | 15301 65½ | 52 40 | 21 | 292 | 20654 54½ | 70 73½ |
| 29 | 292 | 14763 23 | 50 56 | 28 | 292 | 14234 95 | 48 75 |
| May.... 6 | 292 | 14252 56½ | 48 81 | May.... 5 | 292 | 16294 92 | 55 80½ |
| 13 | 292 | 16058 05½ | 54 99 | 12 | 292 | 21741 83½ | 74 46 |
| 20 | 292 | 17818 45½ | 61 02 | 19 | 292 | 17522 07½ | 60 01 |
| 27 | 292 | 17715 70 | 60 67 | 26 | 292 | 17370 80½ | 59 49 |
| June.... 3 | 292 | 18244 40½ | 63 62 | June.... 2 | 292 | 19691 23 | 67 43½ |
| 10 | 292 | 18576 83 | 62 48 | 9 | 292 | 18585 32 | 63 65 |
| 17 | 292 | 17179 96½ | 58 83½ | 16 | 292 | 17912 81 | 61 34½ |
| 24 | 292 | 16882 53 | 57 81½ | 23 | 292 | 17892 22½ | 61 58 |
| July..... 1 | 292 | 17651 85 | 60 45 | 30 | 292 | 19432 01½ | 66 55 |
| 8 | 292 | 18134 36½ | 62 10 | July.... 7 | 388 | 23164 47½ | 59 70 |
| 15 | 292 | 16781 77½ | 57 47 | 14 | 388 | 25176 48 | 64 89 |
| 22 | 292 | 15559 98 | 53 28½ | 21 | 388 | 27929 16 | 59 10 |
| 29 | 292 | 15750 05 | 53 94 | 28 | 388 | 22966 57 | 59 19 |
| August... 5 | 292 | 17755 73 | 60 80½ | August... 4 | 388 | 23157 06½ | 59 68 |
| 12 | 292 | 17885 35 | 61 25 | 11 | 388 | 23058 37½ | 59 43 |
| 19 | 292 | 20062 90 | 68 71 | 18 | 388 | 25579 55 | 65 93 |
| 26 | 292 | 20072 63 | 68 74 | 25 | 388 | 24075 18½ | 62 05 |
| September. . 2 | 292 | 21920 53½ | 75 07 | September 1 | 388 | 24355 46½ | 62 76 |
| 9 | 292 | 20556 41 | 70 39½ | 8 | 388 | 22046 29½ | 56 82 |
| 16 | 292 | 20646 06 | 70 70½ | 15 | 388 | 22837 83 | 58 99 |
| 23 | 292 | 20133 16 | 68 91½ | 22 | 388 | 21266 13 | 54 80 |
| 30 | 292 | 20366 03½ | 69 75 | 29 | 388 | 23949 98½ | 61 70 |
| October... 7 | 292 | 24006 47 | 82 21½ | October... 6 | 388 | 22899 55½ | 59 02 |
| 14 | 292 | 21487 70½ | 73 59 | 13 | 388 | 23504 23 | 60 57 |
| 21 | 292 | 20392 25½ | 69 49 | 20 | 388 | 23332 65½ | 60 13 |
| 28 | 292 | 20041 27½ | 68 63½ | 27 | 388 | 25035 51 | 64 65 |
| November. . 4 | 292 | 20594 22½ | 70 53 | November 3 | 388 | 24068 94 | 62 03 |
| 11 | 292 | 17834 40 | 61 07½ | 10 | 388 | 21592 83½ | 55 65 |
| 18 | 292 | 15769 91½ | 54 00½ | 17 | 388 | 22482 33 | 57 94½ |
| 25 | 292 | 17305 74½ | 59 26½ | 24 | 513 | 26192 64½ | 51 05½ |
| December. . 2 | 292 | 20574 60 | 70 46 | December 1 | 513 | 27866 90 | 54 32 |
| 9 | 292 | 11769 36½ | 40 30½ | 8 | 513 | 24013 88 | 54 61 |
| 16 | 292 | 13718 07½ | 46 98 | 15 | 513 | 22397 27 | 43 66 |
| 23 | 292 | 12759 34 | 43 69½ | 22 | 513 | 23341 34 | 45 50 |
| 30 | 292 | 14576 52 | 49 92 | 29 | 513 | 16114 03 | 31 41 |

APPENDIX XXIV.—(Continued.)

GRAND TRUNK RAILWAY.

STATEMENT OF WEEKLY TRAFFIC RECEIPTS, SHEWING AVERAGE PER MILE, PER WEEK, FROM JANUARY 1, 1854.

| 1856. | | | | 1857. | | | |
|----------------|--------|------------------------|----------------------------|----------------|--------|------------------------|----------------------------|
| Week ending. | Miles. | Amount. | Average per mile per week. | Week ending. | Miles. | Amount. | Average per mile per week. |
| | | \$ cts. | \$ cts. | | | \$ cts. | \$ cts. |
| January... 5 | 513 | 14023 30 $\frac{1}{2}$ | 27 14 | January... 3 | 849 | 43619 03 | 51 33 |
| 12 | 513 | 14372 24 $\frac{1}{2}$ | 28 99 | 10 | 849 | 34490 66 | 40 62 $\frac{1}{2}$ |
| 19 | 513 | 15159 46 | 29 55 | 17 | 849 | 36711 17 $\frac{1}{2}$ | 44 14 |
| 26 | 513 | 17940 60 | 34 97 | 24 | 849 | 27720 55 | 34 26 $\frac{1}{2}$ |
| February... 2 | 513 | 18181 14 $\frac{1}{2}$ | 35 44 | 31 | 849 | 29701 48 | 36 71 |
| 9 | 513 | 17112 74 | 33 36 | February... 7 | 849 | 33878 14 | 44 87 $\frac{1}{2}$ |
| 16 | 513 | 18394 42 $\frac{1}{2}$ | 35 86 | 14 | 849 | 36590 80 | 43 10 |
| 23 | 513 | 15631 79 | 30 47 | 21 | 849 | 45581 19 $\frac{1}{2}$ | 53 69 |
| March... 1 | 513 | 23473 28 $\frac{1}{2}$ | 45 76 | 28 | 849 | 55663 42 | 65 56 |
| 8 | 513 | 16781 35 | 32 71 | March... 7 | 849 | 47488 00 | 55 93 |
| 15 | 513 | 18461 02 | 35 98 $\frac{1}{2}$ | 14 | 849 | 51222 87 | 60 33 |
| 22 | 513 | 24943 70 $\frac{1}{2}$ | 48 63 | 21 | 849 | 53920 04 | 63 52 |
| 29 | 513 | 25511 42 $\frac{1}{2}$ | 49 73 | 28 | 849 | 55498 19 | 65 57 |
| April... 5 | 513 | 26998 60 | 52 63 | April... 4 | 849 | 54314 67 | 63 97 $\frac{1}{2}$ |
| 12 | 513 | 21812 05 | 42 52 | 11 | 849 | 45513 37 $\frac{1}{2}$ | 57 17 $\frac{1}{2}$ |
| 19 | 513 | 23331 64 $\frac{1}{2}$ | 45 48 | 18 | 849 | 46293 05 $\frac{1}{2}$ | 54 52 $\frac{1}{2}$ |
| 26 | 513 | 24397 64 | 47 56 | 25 | 849 | 44638 76 | 52 81 |
| May... 3 | 513 | 23001 67 | 44 83 $\frac{1}{2}$ | May... 2 | 849 | 46001 91 $\frac{1}{2}$ | 54 18 $\frac{1}{2}$ |
| 10 | 513 | 24682 49 $\frac{1}{2}$ | 48 11 $\frac{1}{2}$ | 9 | 849 | 41662 69 | 49 07 |
| 17 | 513 | 25542 13 $\frac{1}{2}$ | 49 79 | 16 | 849 | 43771 29 | 51 55 $\frac{1}{2}$ |
| 24 | 513 | 21971 53 | 42 83 | 23 | 849 | 43705 31 $\frac{1}{2}$ | 51 48 |
| 31 | 513 | 22812 33 | 44 47 | 30 | 849 | 43340 21 | 51 05 |
| June... 7 | 513 | 22686 71 | 44 22 | June... 6 | 849 | 47106 99 $\frac{1}{2}$ | 55 49 $\frac{1}{2}$ |
| 14 | 513 | 25939 18 $\frac{1}{2}$ | 50 56 $\frac{1}{2}$ | 13 | 849 | 46998 92 | 55 36 |
| 21 | 513 | 27346 87 | 53 31 | 20 | 849 | 47573 71 | 56 03 $\frac{1}{2}$ |
| 28 | 513 | 25294 65 $\frac{1}{2}$ | 49 31 | 27 | 849 | 48825 18 | 57 51 |
| July... 5 | 513 | 27401 70 $\frac{1}{2}$ | 53 41 | July... 4 | 849 | 47236 75 $\frac{1}{2}$ | 55 64 |
| 12 | 513 | 26276 71 | 51 22 | 11 | 849 | 48286 82 $\frac{1}{2}$ | 57 51 |
| 19 | 513 | 22302 75 $\frac{1}{2}$ | 43 47 $\frac{1}{2}$ | 18 | 849 | 45623 54 $\frac{1}{2}$ | 53 74 |
| 26 | 513 | 24640 93 $\frac{1}{2}$ | 48 03 | 25 | 849 | 42377 06 $\frac{1}{2}$ | 49 91 |
| August... 2 | 513 | 23278 81 $\frac{1}{2}$ | 45 38 | August... 1 | 849 | 42529 29 | 50 09 $\frac{1}{2}$ |
| 9 | 513 | 23288 78 | 45 40 | 8 | 849 | 44943 03 $\frac{1}{2}$ | 52 93 $\frac{1}{2}$ |
| 16 | 513 | 26360 56 $\frac{1}{2}$ | 51 38 $\frac{1}{2}$ | 15 | 849 | 46705 27 | 55 01 |
| 23 | 513 | 24544 27 | 47 84 $\frac{1}{2}$ | 22 | 849 | 47178 42 | 55 57 |
| 30 | 513 | 25614 62 $\frac{1}{2}$ | 49 93 | 29 | 849 | 47679 67 $\frac{1}{2}$ | 56 16 |
| September... 6 | 513 | 24648 61 $\frac{1}{2}$ | 48 05 | September... 5 | 849 | 48589 04 $\frac{1}{2}$ | 57 25 |
| 13 | 513 | 23924 53 $\frac{1}{2}$ | 46 63 $\frac{1}{2}$ | 12 | 849 | 47385 61 $\frac{1}{2}$ | 55 81 |
| 20 | 513 | 24311 54 | 47 40 | 19 | 849 | 48157 02 | 56 72 |
| 27 | 513 | 27026 03 | 52 68 | 26 | 849 | 50040 62 | 58 94 |
| October... 4 | 513 | 24353 50 | 47 47 | October... 3 | 849 | 50450 78 | 59 42 $\frac{1}{2}$ |
| 11 | 513 | 26190 47 | 51 05 $\frac{1}{2}$ | 10 | 849 | 51106 49 | 60 19 $\frac{1}{2}$ |
| 18 | 513 | 25885 36 | 50 46 | 17 | 849 | 50015 12 $\frac{1}{2}$ | 58 91 |
| 25 | 513 | 58523 87 $\frac{1}{2}$ | 55 60 | 24 | 849 | 46957 76 $\frac{1}{2}$ | 55 31 |
| November... 1 | 513 | 28091 49 $\frac{1}{2}$ | 54 76 | 31 | 849 | 44583 37 $\frac{1}{2}$ | 52 51 |
| 8 | 513 | 25261 99 | 49 24 $\frac{1}{2}$ | November... 7 | 849 | 48231 97 | 56 81 |
| 15 | 513 | 28359 31 | 55 29 | 14 | 849 | 47462 82 $\frac{1}{2}$ | 55 91 $\frac{1}{2}$ |
| 22 | 849 | 48804 15 | 57 48 $\frac{1}{2}$ | 21 | 849 | 48855 01 $\frac{1}{2}$ | 57 54 |
| 29 | 849 | 51484 15 | 60 64 | 28 | 849 | 51591 95 $\frac{1}{2}$ | 60 76 $\frac{1}{2}$ |
| December... 6 | 849 | 44683 65 $\frac{1}{2}$ | 52 63 | December... 5 | 849 | 60026 16 $\frac{1}{2}$ | 70 70 |
| 13 | 849 | 45845 59 | 54 00 | 12 | 849 | 58424 50 | 68 81 |
| 20 | 849 | 38066 91 | 44 84 | 19 | 849 | 53131 88 | 62 58 |
| 27 | 849 | 33527 55 $\frac{1}{2}$ | 39 49 | 26 | 849 | 44071 96 $\frac{1}{2}$ | 51 90 |

APPENDIX XXIV.—(Continued.)

GRAND TRUNK RAILWAY.

STATEMENT OF WEEKLY TRAFFIC RECEIPTS, SHEWING AVERAGE PER MILE, PER WEEK, FROM JANUARY 1, 1854.

| 1855. | | | | 1859. | | | |
|---------------|--------|-----------|----------------------------|---------------|--------|-----------|----------------------------|
| Week ending | Miles. | Amount. | Average per mile per week. | Week ending | Miles. | Amount. | Average per mile per week. |
| | | \$ cts. | \$ cts. | | | \$ cts. | \$ cts. |
| January... 2 | 849 | 35383 91½ | 41 67 | January... 1 | 880 | 33506 24½ | 38 07½ |
| 9 | 849 | 29008 56 | 34 16 | 8 | 880 | 29411 90½ | 33 42 |
| 16 | 849 | 31673 29½ | 37 30 | 15 | 880 | 32880 17½ | 37 36½ |
| 23 | 809 | 41911 55 | 51 80 | 22 | 880 | 39932 53 | 45 38 |
| 30 | 809 | 38872 67 | 48 05 | 29 | 880 | 40126 81 | 45 60 |
| February... 6 | 809 | 35926 54½ | 44 40 | February... 5 | 880 | 37172 44 | 42 21 |
| 13 | 809 | 30697 68½ | 37 94 | 12 | 880 | 35338 50 | 40 72½ |
| 20 | 809 | 37483 26 | 46 33 | 19 | 880 | 39869 73 | 45 30½ |
| 27 | 809 | 41939 83½ | 51 84 | 26 | 880 | 42274 71 | 48 04 |
| March.... 6 | 809 | 43522 06 | 53 79 | March... 5 | 880 | 43703 65 | 49 66 |
| 13 | 809 | 44872 00½ | 55 46 | 12 | 880 | 45182 24½ | 51 34½ |
| 20 | 809 | 45711 88½ | 56 50 | 19 | 880 | 47565 51½ | 54 52 |
| 27 | 809 | 50383 11 | 62 27 | 26 | 880 | 51664 54 | 58 71 |
| April.... 3 | 809 | 46304 35½ | 57 23 | April.... 2 | 880 | 51544 10½ | 58 57 |
| 10 | 849 | 47839 03½ | 56 34 | 9 | 880 | 49068 19 | 55 76 |
| 17 | 849 | 49356 39 | 58 13 | 16 | 880 | 46963 46 | 53 36½ |
| 24 | 849 | 50653 83 | 59 66 | 23 | 880 | 44858 86 | 50 97½ |
| May..... 1 | 849 | 46424 74½ | 54 77 | 30 | 880 | 46232 87½ | 52 52½ |
| 8 | 849 | 43033 89 | 50 74½ | May.... 7 | 880 | 46923 76 | 53 32 |
| 15 | 849 | 46137 21 | 54 34 | 14 | 880 | 42436 49½ | 48 28 |
| 22 | 849 | 44223 96 | 52 09½ | 21 | 880 | 39927 40 | 45 37 |
| 29 | 849 | 41628 45½ | 49 03 | 28 | 880 | 41833 83 | 47 54 |
| June..... 5 | 849 | 38732 36 | 45 62 | June.... 4 | 880 | 40386 61 | 45 89 |
| 12 | 849 | 38828 27 | 45 73 | 11 | 880 | 38917 27½ | 44 22½ |
| 19 | 849 | 43164 95½ | 50 84 | 18 | 880 | 37301 16 | 42 39 |
| 26 | 849 | 38463 50½ | 45 30½ | 25 | 880 | 39662 78½ | 45 07 |
| July..... 3 | 849 | 44081 99 | 51 92 | July.... 2 | 880 | 41265 65 | 47 80 |
| 10 | 849 | 38883 97½ | 45 80 | 9 | 880 | 39707 84 | 45 12 |
| 17 | 849 | 36982 17½ | 43 56 | 16 | 880 | 39401 78 | 44 77½ |
| 24 | 849 | 36267 43½ | 42 83½ | 23 | 880 | 37434 65 | 42 54 |
| 31 | 849 | 39429 55 | 46 44 | 30 | 880 | 44364 69 | 50 41½ |
| August.... 7 | 849 | 36774 27½ | 43 31½ | August... 6 | 880 | 39133 74 | 44 47 |
| 14 | 849 | 37721 39½ | 44 43 | 13 | 880 | 38874 41 | 44 17½ |
| 21 | 849 | 37300 97½ | 43 93½ | 20 | 880 | 41954 92 | 47 67½ |
| 28 | 849 | 47163 37½ | 45 55 | 27 | 880 | 46381 09 | 52 70½ |
| September. 4 | 849 | 43421 69 | 51 14½ | September 3 | 880 | 45242 73 | 51 41 |
| 11 | 849 | 41753 80 | 49 18 | 10 | 880 | 48758 68 | 55 41 |
| 18 | 849 | 41132 17 | 48 45 | 17 | 880 | 51396 06 | 58 40½ |
| 25 | 849 | 43058 63½ | 50 72 | 24 | 880 | 51585 50 | 58 63 |
| October... 2 | 880 | 57491 47½ | 65 33 | October... 1 | 880 | 70903 84 | 80 57 |
| 9 | 880 | 49695 96 | 56 47 | 8 | 880 | 58697 96 | 66 70 |
| 16 | 880 | 52975 21½ | 60 20 | 15 | 880 | 60032 46 | 68 22 |
| 23 | 880 | 54577 89 | 62 36 | 22 | 880 | 60046 16 | 68 23½ |
| 30 | 880 | 56229 17½ | 63 89½ | 29 | 880 | 60484 38 | 68 73½ |
| November. 6 | 880 | 50832 36½ | 57 76½ | November 5 | 880 | 58476 65 | 66 45 |
| 13 | 880 | 50688 92 | 57 60 | 12 | 880 | 56154 40 | 63 81½ |
| 20 | 880 | 50110 34½ | 56 91 | 19 | 880 | 60764 84 | 69 05½ |
| 27 | 880 | 47144 43 | 53 57 | 26 | 970 | 63182 79 | 65 13½ |
| December. 4 | 880 | 51979 13 | 59 06½ | December 3 | 970 | 68483 21 | 70 60 |
| 11 | 880 | 45687 58½ | 51 92 | 10 | 970 | 51811 88 | 53 41½ |
| 18 | 880 | 45070 51½ | 51 21½ | 17 | 970 | 57945 26 | 59 73½ |
| 25 | 880 | 37147 27 | 42 21 | 24 | 970 | 57466 13 | 59 24½ |
| | | | | 31 | 970 | 53777 11 | 55 44½ |

APPENDIX XXIV.—(Continued.)

GRAND TRUNK RAILWAY.

STATEMENT OF WEEKLY TRAFFIC RECEIPTS, SHEWING AVERAGE PER MILE, PER WEEK, FROM JANUARY 1, 1854.

| 1860. | | | | 1860-1. | | | |
|------------------|--------|-------------|----------------------------|------------------|--------|-------------|----------------------------|
| Week ending. | Miles. | Amount. | Average per mile per week. | Week ending. | Miles. | Amount. | Average per mile per week. |
| January . . . 7 | 970 | \$ 49332 52 | 50 85 | September . . 1 | 970 | \$ 66736 54 | 68 59½ |
| 14 | 970 | 52334 25 | 53 95½ | 8 | 970 | 73244 49 | 75 50½ |
| 21 | 970 | 50097 58 | 51 64½ | 15 | 970 | 66943 83 | 69 01½ |
| 28 | 970 | 52722 00 | 54 35½ | 22 | 970 | 79094 17 | 81 54 |
| February . . . 4 | 970 | 53529 08½ | 55 18½ | 29 | 970 | 80963 08 | 83 46½ |
| 11 | 970 | 50733 72½ | 52 30½ | October . . . 6 | 970 | 80523 47 | 83 01½ |
| 18 | 970 | 50926 14 | 52 50 | 13 | 970 | 80914 75 | 83 41½ |
| 25 | 970 | 55691 48 | 57 41½ | 20 | 970 | 81122 56 | 83 63½ |
| March 3 | 970 | 56458 58 | 59 23½ | 27 | 970 | 80102 58 | 82 58 |
| 10 | 970 | 64186 77 | 66 17½ | November . . . 3 | 970 | 84866 82 | 87 49½ |
| 17 | 970 | 70915 67½ | 73 11 | 10 | 970 | 81847 15 | 84 37½ |
| 24 | 970 | 71417 34 | 73 62½ | 17 | 970 | 80195 72 | 82 67½ |
| 31 | 970 | 77308 98 | 79 70 | 24 | 970 | 78423 69 | 80 85 |
| April 7 | 970 | 70160 70 | 72 33 | December . . . 1 | 970 | 75033 14 | 77 35½ |
| 14 | 970 | 70858 89 | 73 05 | 8 | 970 | 70841 24 | 73 03½ |
| 21 | 970 | 70244 89 | 72 41½ | 15 | 970 | 66681 35 | 68 74½ |
| 28 | 970 | 66754 65 | 68 82 | 22 | 970 | 62197 15 | 64 12 |
| May 5 | 970 | 60329 62 | 62 19½ | 29 | 970 | 60805 49 | 62 68½ |
| 12 | 970 | 55609 47½ | 57 33 | | | | |
| 19 | 970 | 56099 13 | 57 83½ | | | | |
| 26 | 970 | 56845 27½ | 58 60½ | | | | |
| June 2 | 970 | 63378 16½ | 65 33½ | 1861. | | | |
| 9 | 970 | 53301 50½ | 54 95 | January . . . 5 | 970 | 59588 37 | 61 43½ |
| 16 | 970 | 54105 50 | 55 78 | 12 | 970 | 59874 98 | 61 72½ |
| 23 | 970 | 53091 78½ | 54 73½ | 19 | 970 | 55549 20 | 57 26½* |
| 30 | 970 | 55760 61 | 57 48½ | 26 | 970 | 47092 48 | 48 54½* |
| July 7 | 970 | 51754 37 | 53 35½ | February . . . 2 | 970 | 48353 69 | 49 85* |
| 14 | 970 | 55393 00 | 57 10½ | 9 | 970 | 40470 86 | 41 72½† |
| 21 | 970 | 50760 27 | 52 33 | 16 | 970 | 42226 94 | 43 53½† |
| 28 | 970 | 54471 99 | 56 15½ | 23 | 970 | 54306 81 | 55 98½† |
| August 4 | 970 | 57550 33 | 59 33 | March 2 | 970 | 63309 81 | 65 26½ |
| 11 | 970 | 52784 17 | 54 41½ | 9 | 970 | 69227 18 | 71 36½ |
| 18 | 970 | 52395 14 | 54 01½ | 16 | 970 | 72795 03 | 75 04½ |
| 25 | 970 | 60734 29 | 62 61½ | 23 | 970 | 80651 74 | 83 14½ |
| | | | | 30 | 970 | 88392 67 | 91 12½ |

* "Traffic interrupted by heavy snow storms."
 * Do. do.
 * Do. do.
 † "During greater part of week Trains stopped by intense cold or storms."
 † "Traffic still interrupted by snow storms."
 † Do. do.

J. HARDMAN,
 Auditor of Traffic and General Agent.

APPENDIX XXV.
 GRAND TRUNK RAILWAY OF CANADA.
 STATEMENT shewing Expenditure on Revenue Account for year ending 30th June, 1860.

| | Month ending 30th July, 1859. | Month ending 31st August, 1859. | Month ending 30th Sept., 1859. | Month ending 31st October, 1859. | Month ending 30th Nov., 1859. | Month ending 31st Dec., 1859. | Month ending 31st January, 1860. | Month ending 28th Feby., 1860. | Month ending 31st March, 1860. | Month ending 30th April, 1860. | Month ending 31st May, 1860. | Month ending 30th June, 1860. | Total Year. |
|--|-------------------------------|---------------------------------|--------------------------------|----------------------------------|-------------------------------|-------------------------------|----------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------|-------------------------------|---------------|
| | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. | \$ cts. |
| Locomotive Charges, | 4737 49 | 28615 68 | 36642 90 | 48900 98 | 68570 97 | 72271 95 | 86654 10 | 87705 92 | 77274 03 | 68222 83 | 70330 76 | 60798 78 | 754326 39 |
| Coupling Charges, | 16670 49 | 17795 79 | 17300 10 | 17398 27 | 18552 69 | 25042 28 | 21939 81 | 26891 01 | 22257 70 | 20432 00 | 20136 76 | 21963 21 | 246689 11 |
| Merchandise Charges, | 25900 03 | 28652 12 | 31955 88 | 34684 74 | 39881 61 | 43264 84 | 48364 92 | 51966 25 | 46332 92 | 43370 93 | 42103 03 | 39516 00 | 482283 27 |
| Maintenance of Way, | 81142 93 | 53818 08 | 86313 20 | 54377 53 | 37094 46 | 73869 53 | 42639 83 | 45697 82 | 56719 48 | 53324 32 | 61783 03 | 51895 28 | 670635 49 |
| General Charge, | 7544 39 | 5052 33 | 10205 64 | 7837 09 | 9244 51 | 16163 16 | 6535 79 | 7219 84 | 7065 86 | 5767 44 | 8461 17 | 22873 45 | 112971 67 |
| Telegraph Charges, | 1443 43 | 1465 53 | 1743 22 | 1378 48 | 1716 56 | 1707 80 | 1951 18 | 1903 07 | 2191 86 | 1989 33 | 2001 99 | 2249 95 | 21747 40 |
| Victoria Bridge maintenance. | | | | | | | 242 35 | 240 15 | 162 40 | 241 49 | 316 38 | 148 58 | 1351 36 |
| Ferry Boats: | | | | | | | | | | | | | |
| Conveyance of passen- gers, | 3192 20 | 4471 67 | 4289 16 | 5173 26 | 4345 63 | 4182 15 | 1502 14 | 1479 33 | 1351 78 | 3072 12 | 2333 12 | 3113 75 | 38806 38 |
| Carriage of goods, &c., | | | | | | | | | | | | | |
| Cost of working the road, | 186704 36 | 139871 20 | 158480 10 | 170248 35 | 179366 43 | 239501 71 | 208830 12 | 223103 39 | 213456 03 | 198620 53 | 208069 24 | 202259 00 | 2228811 05 |
| Taxes, | | | | | | | | | | | | | 25132 79 |
| Compensation, &c., | | | | | | | | | | | | | 19612 63 |
| Agencies, | | | | | | | | | | | | | 48976 16 |
| Net balance against Traffic | | | | | | | | | | | | | 3241 01 |
| Detroit Line, | | | | | | | | | | | | | 15957 74 |
| Unsettled Traffic Accounts, | | | | | | | | | | | | | \$ 2429731 29 |

Montreal,
 Grand Trunk Railway Company's Office,
 24th January, 1861.

JOSEPH ELLIOTT,
 Secretary and Treasurer.

APPENDIX XXVI. A.

GRAND TRUNK RAILWAY.

AUDIT OFFICE.

STATEMENT shewing the Number of Passengers and Tons of Freight Inwards and Outwards, at each Station,

FOR THE YEAR ENDING 30TH JUNE, 1860.

| STATIONS. | No. of Pass'gers. | | Tons Inwards. | | Tons Outwards. | |
|-------------------------|---------------------|---------------------|------------------|-------------|------------------|-------------|
| | Inwards | Outwards. | General Freight. | Co.'s Fuel. | General Freight. | Co.'s Fuel. |
| | | | Tons. | Tons. | Tons. | Tons. |
| Portland | 61774 $\frac{1}{2}$ | 53274 $\frac{1}{2}$ | 148729 22 | 5783 25 | 72212 65 | |
| Falmouth | 1498 $\frac{1}{2}$ | 1579 | 497 11 | | 72 10 | |
| Cumberland | 950 $\frac{1}{2}$ | 1038 | 42 69 | | 20 85 | |
| Yarmouth | 9379 | 8057 | 1878 82 | 58 00 | 421 16 | |
| Yarmouth Junction | | 2768 $\frac{1}{2}$ | 1780 84 | | 257 30 | |
| North Yarmouth | 2336 $\frac{1}{2}$ | 1975 $\frac{1}{2}$ | 340 35 | | 416 16 | |
| Pownal | 1609 $\frac{1}{2}$ | 1218 | 342 04 | | 1501 90 | |
| New Gloucester | 1736 | 1805 | 860 28 | | 3619 06 | |
| Cobb's Bridge | 328 $\frac{1}{2}$ | 485 | 53 60 | | 907 14 | |
| Danville Junction | 30772 | 37408 $\frac{1}{2}$ | 37620 65 | 1540 50 | 23272 11 | |
| Hotel Road | 365 | 515 $\frac{1}{2}$ | 147 98 | | 262 76 | |
| Empire Road | 1538 $\frac{1}{2}$ | 949 $\frac{1}{2}$ | 440 35 | | 1191 71 | |
| Mechanic Falls | 2983 $\frac{1}{2}$ | 3400 | 2893 74 | | 3177 59 | |
| Oxford | 1272 $\frac{1}{2}$ | 1546 | 474 63 | | 2062 88 | |
| South Paris | 8493 $\frac{1}{2}$ | 7216 $\frac{1}{2}$ | 4080 63 | 918 00 | 3497 18 | |
| West Paris | 679 | 711 | 1110 82 | 216 00 | 2032 74 | |
| Bryant's Pond | 2121 $\frac{1}{2}$ | 1826 $\frac{1}{2}$ | 1373 13 | | 6376 47 | |
| Locke's Mills | 447 | 553 $\frac{1}{2}$ | 397 74 | | 626 29 | |
| Bethel | 1947 $\frac{1}{2}$ | 2381 | 2328 43 | 18 00 | 2689 77 | |
| West Bethel | 269 $\frac{1}{2}$ | 329 $\frac{1}{2}$ | 1912 93 | | 669 92 | 261 00 |
| *Gilead | 245 | | | | | |
| Shelburne | 231 | 288 | 121 24 | | 388 30 | 360 00 |
| Gorham | 5568 $\frac{1}{2}$ | 2345 | 3061 81 | | 2944 51 | 2174 00 |
| Berlin Falls | 777 | 991 $\frac{1}{2}$ | 403 62 | 9 75 | 9150 89 | 18 00 |
| West Milan | 204 $\frac{1}{2}$ | 375 $\frac{1}{2}$ | 366 49 | | 3971 97 | 383 50 |
| *Starke | 195 | | | | | |
| Northumberland | 1594 | 1937 $\frac{1}{2}$ | 1746 15 | | 2931 10 | 2025 00 |
| Stratford Hollow | 304 | 362 | 98 88 | | 2243 03 | 474 00 |
| North Stratford | 1371 | 1473 $\frac{1}{2}$ | 1365 02 | | 4997 64 | 495 00 |
| *Wenlock | 214 $\frac{1}{2}$ | | | | | |
| *Foster's Mills | 30 | | | | | |
| Island Pond | 4124 | 3699 $\frac{1}{2}$ | 4561 77 | 55 12 | 6500 55 | 2353 00 |

PORTLAND DIVISION.

APPENDIX XXVI. A.—Continued.

GRAND TRUNK RAILWAY.—AUDIT OFFICE.

STATEMENT shewing the Number of Passengers and Tons of Freight, Inwards and Outwards, at each Station, for the year ending 30th June, 1860.

| STATIONS. | No. of Passengers. | | Tons Inwards. | | Tons Outwards. | |
|-----------------|--------------------|-----------|------------------|------------|------------------|------------|
| | Inwards. | Outwards. | General Freight. | Co's Fuel. | General Freight. | Co's Fuel. |
| | | | Tons. | Tons. | Tons. | Tons. |
| *Norton | 211 | ... | ... | ... | ... | ... |
| Boundary Line | 375 | 357 | 285 49 | ... | 554 00 | 61 63 |
| Coaticooke | 1699½ | 1858 | 1987 73 | 351 00 | 1241 08 | 310 00 |
| Compton | 17 3½ | 18 29 | 590 33 | 316 50 | 795 22 | 780 37 |
| Waterville | 984 | 1071½ | 675 16 | ... | 413 16 | ... |
| Lennoxville | 1614½ | 1935½ | 1048 89 | ... | 1331 88 | ... |
| Sherbrooke | 6332½ | 6169½ | 4953 21 | 2077 60 | 2917 47 | ... |
| Brompton Falls | 1425 | 1365 | 815 94 | ... | 11945 24 | ... |
| Windsor | 673 | 664 | 778 34 | 679 35 | 191 43 | 339 00 |
| Richmond | 5504 | 5389 | 4361 95 | 1674 63 | 2850 81 | 509 63 |
| Durham | 951½ | 827 | 576 69 | 93 75 | 3643 88 | 1136 62 |
| Acton | 5208 | 5383 | 1571 69 | 297 00 | 10931 74 | 4509 10 |
| Upton | 2459½ | 2745½ | 917 05 | 14 50 | 7519 64 | 3193 13 |
| Ninth Range | 404 | 1297 | ... | ... | ... | ... |
| Britannia Mills | 836 | 1483 | 307 70 | ... | 10012 30 | 4981 13 |
| St. Hyacinthe | 11407½ | 12423 | 5628 51 | 3076 25 | 598 49 | ... |
| *Soixante | 491½ | ... | ... | ... | ... | ... |
| St. Hilaire | 4870½ | 5919 | 741 98 | 143 25 | 978 09 | ... |
| Belœil | ... | 351 | 2112 69 | ... | 299 62 | ... |
| Boucherville | 520 | 1146 | 543 50 | ... | 92 13 | ... |
| Charons | 393 | 1578 | ... | ... | ... | ... |
| St. Lambert | 3290½ | 1774½ | ... | ... | ... | ... |
| Danville | 2112½ | 2110½ | 1570 79 | ... | 6025 90 | 2059 00 |
| Warwick | 1004 | 1087 | 221 20 | ... | 6903 27 | 1657 50 |
| Arthabaska | 2227½ | 2326 | 6010 15 | 343 59 | 12535 97 | ... |
| Stanford | 1811 | 1764 | 660 61 | ... | 5392 17 | ... |
| Somerset | 1563 | 1552 | 860 16 | ... | 4485 56 | 1164 00 |
| Becancour | 2086½ | 1822 | 634 28 | ... | 7527 75 | 229 00 |
| Methot's Mills | 835½ | 849 | 100 09 | 612 00 | 4486 30 | 99 00 |
| Black River | 479½ | 485 | 79 20 | ... | 3739 71 | 898 00 |
| Craig's Road | 1090 | 1197½ | 295 47 | 165 00 | 476 12 | ... |
| Chaudière | 826 | 683½ | 752 47 | 228 00 | 681 85 | ... |
| *Etchemin | 1145 | ... | ... | ... | ... | ... |
| Point Levi | 19565½ | 28540 | 45954 03 | 2699 00 | 6256 03 | ... |
| *St. John | 147 | ... | ... | ... | ... | ... |
| St. Henri | 261 | 206 | 119 41 | 117 00 | 19 89 | ... |
| St. Charles | 639 | 717½ | 158 84 | 329 00 | 30 77 | ... |
| *St. Michael | 61 | ... | ... | ... | ... | ... |
| *St. Vallière | 145 | ... | ... | ... | ... | ... |
| St. Francis | 321½ | 402 | 48 97 | 231 00 | 82 84 | ... |
| *St. Pierre | 107 | ... | ... | ... | ... | ... |
| St. Thomas | 1595 | 2215 | 472 69 | 450 00 | 144 46 | ... |

EASTERN DIVISION.

For part of the year to December 24, 1859.

APPENDIX XXVI. A.—Continued.

GRAND TRUNK RAILWAY.—AUDIT OFFICE.

STATEMENT shewing the Number of Passengers and Tons of Freight, Inwards and Outwards, at each Station, for the year ending 30th June, 1860.

| STATIONS. | No. of Pass'gers. | | Tons Inwards. | | Tons Outwards. | |
|--------------------------|-------------------|-----------|------------------|-------------|------------------|-------------|
| | Inwards | Outwards. | General Freight. | Co.'s Fuel. | General Freight. | Co.'s Fuel. |
| | | | Tons. | Tons. | Tons. | Tons. |
| Montreal..... | 56961½ | 54376½ | 98853 74 | 12513.25 | 52518.26 | ..... |
| Point Claire..... | 1735½ | 2191 | 185 87 | ..... | 3923.42 | 1260.00 |
| St. Ann's..... | 1077½ | 1674½ | 110 40 | 18.00 | 14 32 | ..... |
| Vaudreuil..... | 2363½ | 3689 | 492.54 | 1242.00 | 801.41 | ..... |
| *Cedars..... | 640 | ..... | ..... | ..... | ..... | ..... |
| Coteau Landing..... | 3524 | 3309½ | 773.38 | 1035 00 | 1076.54 | ..... |
| *River Beaudette..... | 383 | ..... | ..... | ..... | ..... | ..... |
| Lancaster..... | 3685 | 5049½ | 1489.11 | ..... | 6112.38 | 6065.62 |
| Summerstown..... | 862 | 963½ | 40 33 | ..... | 60.74 | ..... |
| Cornwall..... | 6848½ | 9286 | 621 84 | 687.00 | 801 6½ | ..... |
| *Molinette..... | 715 | ..... | ..... | ..... | ..... | ..... |
| Dickinson's Landing..... | 1777 | 2994½ | 456.84 | ..... | 634 65 | ..... |
| *Aultsville..... | 1457 | ..... | ..... | ..... | ..... | ..... |
| Williamsburg..... | 2696½ | 4134 | 713 81 | ..... | 1335.84 | ..... |
| Matilda..... | 1858 | 3230½ | 588.50 | ..... | 1177 88 | 99.00 |
| *Edwardsburg..... | 1221 | ..... | ..... | ..... | ..... | ..... |
| Prescott Junction..... | ..... | 1642 | ..... | ..... | ..... | ..... |
| Prescott..... | 24694 | 18084½ | 7563 78 | 1077 00 | 2964 49 | ..... |
| Maitland..... | 826½ | 943½ | 173 46 | ..... | 259 76 | ..... |
| Brockville..... | 12806 | 13529½ | 5086.61 | 4929 28 | 5910 20 | ..... |
| Lyn..... | 1661½ | 1661 | 1761 09 | ..... | 435 88 | 214 50 |
| Mallorytown..... | 1142½ | 1339 | 146.45 | ..... | 168 65 | 4521.08 |
| Landsdowne..... | 698½ | 825 | 68 15 | ..... | 170 83 | 1390.75 |
| Gananoque..... | 1940 | 1787 | 271 02 | ..... | 1695 72 | 4351 00 |
| Kingston..... | 19632 | 13882 | 6928.29 | 4471 00 | 5518.24 | ..... |
| *Ernestown..... | 688½ | ..... | ..... | ..... | ..... | ..... |
| Napanee..... | 4277½ | 5973 | 1075 25 | 768.00 | 1233.47 | 45 00 |
| Tyendinaga..... | 884 | 1031½ | 75 38 | 45 00 | 490.09 | 768.00 |
| Shannonville..... | 1651 | 1893½ | 536.37 | ..... | 219 00 | ..... |
| Belleville..... | 11193½ | 11787½ | 2682.07 | ..... | 2622.97 | 300.00 |
| Trenton..... | 4342 | 5257 | 6912 82 | ..... | 603 51 | ..... |
| Brighton..... | 4172½ | 4096½ | 428 29 | 36 00 | 997.02 | 1431 00 |
| Colborne..... | 39¼ | 4514 | 484 93 | ..... | 1094 38 | ..... |
| Grafton..... | 2059½ | 2266½ | 1058 25 | ..... | 1050.07 | ..... |
| Cobourg..... | 15654 | 14766 | 3159 43 | 2681.25 | 5630 64 | ..... |
| Port Hope..... | 14460½ | 14781½ | 3913 25 | ..... | 8432 02 | 986.25 |
| Newtonville..... | 889½ | 978 | 148 31 | ..... | 574 35 | ..... |
| Newcastle..... | 3964½ | 4748½ | 443.13 | ..... | 2145 91 | ..... |
| Bowmanville..... | 7248 | 8239 | 1055 19 | ..... | 2914 28 | ..... |
| Oshawa..... | 4743½ | 6169 | 1673.36 | ..... | 6167.33 | ..... |
| Whitby..... | 6873 | 8929 | 2112.73 | ..... | 3329 20 | 235.00 |
| Duffin's Creek..... | 1227½ | 1886 | 160.60 | ..... | 3113.77 | 1245 00 |
| Frenchman's Bay..... | 1304 | 2468 | 383 67 | ..... | 2958 56 | 1476 50 |
| Port Union..... | 742 | 1164 | 241.97 | 478 00 | 766.46 | 130.00 |
| Scarboro..... | 1827 | 2635½ | 456 64 | ..... | 998 58 | ..... |

CENTRAL DIVISION.

APPENDIX XXVI. A.—Continued.
GRAND TRUNK RAILWAY.—AUDIT OFFICE.

STATEMENT shewing the Number of Passengers and Tons of Freight, Inwards and Outwards, at each Station, for the year ending 30th June, 1860.

| STATIONS. | No. of Pass'gers. | | Tons Inwards. | | Tons Outwards. | |
|-----------------------|----------------------|----------------------|------------------|-------------|------------------|-------------|
| | Inwards | Outwards. | General Freight. | Co.'s Fuel. | General Freight. | Co.'s Fuel. |
| | | | Tons. | Tons. | Tons. | Tons. |
| Toronto..... | 74504 $\frac{1}{2}$ | 51887 $\frac{1}{2}$ | 62059 62 | 5309 90 | 45727 20 | 45 00 |
| Carleton..... | 2237 $\frac{3}{4}$ | 2015 | 105 03 | 54 00 | 1176 18 | ..... |
| Weston..... | 4619 $\frac{1}{2}$ | 7649 | 404 61 | 64 00 | 3472 78 | ..... |
| Malton..... | 2392 | 4958 | 428 30 | 54 00 | 465 50 | 36 00 |
| Brampton..... | 6329 | 11488 | 2325 90 | 720 00 | 5781 11 | 604 00 |
| Norval..... | 803 | 1328 | 113 70 | 36 00 | 2129 00 | 243 00 |
| Georgetown..... | 4538 | 5876 | 1472 27 | 144 00 | 8038 91 | ..... |
| Lime House..... | 517 $\frac{1}{2}$ | 735 | ..... | ..... | ..... | ..... |
| Acton West..... | 3721 $\frac{3}{4}$ | 4006 $\frac{3}{4}$ | 463 88 | 544 00 | 3806 87 | 1435 50 |
| Rockwood..... | 5254 $\frac{1}{2}$ | 5760 $\frac{1}{2}$ | 213 51 | 27 00 | 3882 32 | 693 50 |
| Guelph..... | 15116 $\frac{1}{2}$ | 16555 | 5067 46 | 837 00 | 9549 84 | ..... |
| Schants..... | 419 $\frac{3}{4}$ | 584 $\frac{3}{4}$ | 40 30 | 36 00 | 2924 96 | 2507 40 |
| Breslau..... | 327 $\frac{1}{2}$ | 379 | 40 97 | 40 00 | 1081 44 | ..... |
| Berlin..... | 4372 | 4485 $\frac{1}{2}$ | 1477 65 | 1027 00 | 4798 66 | ..... |
| Petersburg..... | 517 | 634 | 124 32 | 46 00 | 921 84 | 416 00 |
| Baden..... | 556 | 794 $\frac{1}{2}$ | 208 04 | 144 00 | 533 70 | 342 00 |
| Hamburg..... | 1559 | 1616 | 569 85 | 36 00 | 525 56 | 4 00 |
| Shakespeare..... | 984 $\frac{1}{2}$ | 1074 | 204 26 | 54 00 | 517 93 | 84 00 |
| Stratford..... | 10608 $\frac{3}{4}$ | 10153 | 3753 24 | 180 00 | 5238 68 | 544 22 |
| St. Mary's..... | 7318 | 8663 $\frac{1}{2}$ | 4133 31 | 2353 50 | 11119 30 | 190 00 |
| Thorndale..... | 757 $\frac{1}{2}$ | 1018 $\frac{3}{4}$ | 26 72 | ..... | 321 21 | 3037 50 |
| London..... | 8648 $\frac{3}{4}$ | 6719 | 4442 23 | 477 00 | 5910 80 | ..... |
| Lucan..... | 736 $\frac{1}{2}$ | 903 | 68 12 | 270 00 | 595 39 | ..... |
| Craig's..... | 711 $\frac{3}{4}$ | 836 $\frac{3}{4}$ | 513 94 | 180 00 | 251 27 | ..... |
| Westwood..... | 237 $\frac{3}{4}$ | 149 | ..... | ..... | ..... | ..... |
| Widder..... | 1954 | 2039 $\frac{1}{2}$ | 245 65 | 424 42 | 1233 87 | 279 00 |
| Forrest..... | 699 | 980 | 88 31 | ..... | 1125 21 | 1344 20 |
| Perth..... | 66 | 54 $\frac{1}{2}$ | ..... | ..... | ..... | ..... |
| Sarnia..... | 3006 $\frac{1}{2}$ | 2381 | 1199 41 | 1576 80 | 480 93 | ..... |
| Port Huron..... | 4132 | 3827 $\frac{1}{2}$ | 1504 40 | 558 00 | 160 24 | ..... |
| Smith's Creek..... | 630 $\frac{1}{2}$ | 906 | 175 68 | ..... | 381 94 | 90 00 |
| Ridgeway..... | 2151 | 2851 $\frac{1}{2}$ | 508 83 | ..... | 484 62 | ..... |
| New Baltimore..... | 1318 $\frac{1}{2}$ | 1675 $\frac{1}{2}$ | 246 27 | ..... | 304 62 | 378 00 |
| Mount Clemens..... | 2454 $\frac{1}{2}$ | 3058 $\frac{1}{2}$ | 148 56 | ..... | 125 09 | ..... |
| Utica Road..... | 420 $\frac{3}{4}$ | 789 $\frac{3}{4}$ | 37 54 | ..... | 2138 79 | 615 15 |
| Detroit Junction..... | ..... | 764 | ..... | ..... | ..... | ..... |
| Detroit..... | 13459 $\frac{1}{2}$ | 6624 | 2431 94 | ..... | 18087 10 | 2103 00 |
| Conductors..... | 22781 $\frac{1}{2}$ | 22781 $\frac{1}{2}$ | ..... | ..... | ..... | ..... |
| Total..... | 689832 $\frac{1}{2}$ | 689832 $\frac{1}{2}$ | 552739 84 | 70231 53 | 552739 84 | 70231 53 |

| FREIGHT. | | PASSENGERS. | | FREIGHT. | |
|-----------------------|----------------------|--------------|----------------------|--------------|----------------------|
| Tons. | | | | Tons. | |
| Lumber and Firewood.. | 191526 | Foreign..... | 102195 | Foreign..... | 93685 $\frac{1}{2}$ |
| General Goods..... | 431445 $\frac{1}{2}$ | Local..... | 587637 $\frac{1}{2}$ | Local..... | 529285 $\frac{1}{2}$ |

N. B.—From Stations marked thus * Tickets are only issued by Conductors on board the Cars.
J. HARDMAN, Auditor.

AUDIT OFFICE.

GENERAL PASSENGER STATEMENT FOR THE YEAR ENDING 30TH JUNE, 1860.

| | | | |
|--|-------------------------------------|-------|-----------------|
| LOCAL from Station to Station,..... | | | 587637½ |
| FOREIGN, to and from G. T. R. Stations— | Androscoggin and Kennebec Railway, | 35936 | |
| “ “ “ “ | Stages,..... | 42 0 | |
| “ “ “ “ | Portland, Saco and Portsmouth R’y., | 7149 | |
| “ “ “ “ | Portland Steam Packet,..... | 3648 | |
| “ “ “ “ | St. John Boat,..... | 59½ | |
| “ “ “ “ | Lake Mag’g Steamer,..... | 71½ | |
| “ “ “ “ | New Kork viâ Portland,..... | 1120 | |
| “ “ “ “ | Ottawa and Prescott Railway,..... | 10430 | |
| “ “ “ “ | Brockville and Ottawa Railway,.... | 165 | |
| “ “ “ “ | Cobourg and Peterborough Railway,. | 8 | |
| “ “ “ “ | Rochester Steamers,..... | 4 | |
| “ “ “ “ | Cape Vincent Steamers,..... | 60 | |
| “ “ “ “ | Port Hope B. and Lindsay Railway,. | 205 | |
| “ “ “ “ | Roads off Ogdensburg,..... | 326½ | |
| “ “ “ “ | New York, viâ Cape Vincent,..... | 131½ | |
| “ “ “ “ | Roads off Toronto,..... | 8426½ | |
| “ “ “ “ | Buffalo and Lake Huron,..... | 263 | |
| “ “ “ “ | Roads off Detroit,..... | 4570½ | |
| “ “ “ “ | Boston Agency (Rail and Boat)..... | 2365 | |
| | | | 79129 |
| Through from Androscoggin Railway to Boston,..... | | 11193 | |
| “ “ Boston to Androscoggin Railway,..... | | 9563 | |
| “ “ Boston Agency to Roads off Toronto,..... | | 248 | |
| “ “ “ “ “ “ off Detroit,..... | | 151½ | |
| “ “ “ “ “ “ to Ottawa and Prescott,..... | | 19½ | |
| “ “ “ “ “ “ viâ Ogdensburg, to Roads off Toronto,..... | | 115 | |
| “ “ to and from Roads off Toronto and Roads off Ogdensburg,..... | | 913½ | |
| “ “ “ “ “ “ Ottawa and Prescott,..... | | 11 | |
| “ “ “ “ “ “ Boston viâ Portland,..... | | 52 | |
| “ “ “ “ “ “ Androscoggin & Kennebec,..... | | 40½ | |
| “ “ Roads off Detroit and Roads off Ogdensburg,..... | | 722 | |
| “ “ “ “ “ “ Ottawa and Prescott,..... | | 1 | |
| “ “ “ “ “ “ Boston viâ Portland,..... | | 24 | |
| “ “ “ “ “ “ Androscoggin & Kennebec,..... | | 12 | |
| | | | 23066 |
| Total number of Passengers,..... | | | 689832½ |
| Total number of Miles travelled,..... | 47432143 | | |
| Average distance travelled by each Passenger,..... | | 68.75 | |
| Total Passenger Receipts,..... | | | \$1082233.40½ 8 |
| Average Receipt per Passenger,..... | | | 1.56 8/3 |
| Average Receipt per Passenger per Mile,..... | | | 2.2 |

Compared with year ending 30th June, 1859.

| | |
|--|--------------------------|
| Miles travelled by each Passenger,..... | Increased 4.53 per cent. |
| Average Receipt per Passenger,..... | “ 7.08 “ |
| Average Receipt per Passenger per Mile,..... | “ 2.70 “ |

STATEMENT SHEWING DISTANCES TRAVELLED BY PASSENGERS.

| | | | | |
|---------------------------|-------------------|---------|---------------------|--------------------------------------|
| TRAVELLING— | under 10 Miles. . | 88339½ | TRAVELLING— | 400 Miles and under 450 Miles, 31191 |
| “ 10 Miles and under 20 “ | “ “ “ “ | 128923½ | “ 450 “ | “ 500 “ 1279½ |
| “ 20 “ | “ 30 “ | 137073 | “ 500 “ | “ 550 “ 3852½ |
| “ 30 “ | “ 50 “ | 120380 | “ 550 “ | “ 600 “ 2893½ |
| “ 50 “ | “ 75 “ | 66685½ | “ 600 “ | “ 650 “ 3461½ |
| “ 75 “ | “ 100 “ | 27918½ | “ 650 “ | “ 700 “ 312½ |
| “ 100 “ | “ 150 “ | 38918½ | “ 700 “ | “ 750 “ 1283 |
| “ 150 “ | “ 200 “ | 28593½ | “ 750 “ | “ 800 “ 31½ |
| “ 200 “ | “ 250 “ | 11838 | “ 800 “ | “ 850 “ 512 |
| “ 250 “ | “ 300 “ | 9193 | “ 850 “ | “ 900 “ 776½ |
| “ 300 “ | “ 350 “ | 13128 | “ 900 “ | “ 950 “ 46 |
| “ 350 “ | “ 400 “ | 848 | “ 950 and over..... | 245½ |

J. HARDMAN, Auditor.

APPENDIX XXVI. B.

GRAND TRUNK RAILWAY.

AUDIT OFFICE.

STATEMENT shewing the Number of Passengers and Tons of Freight Inwards and Outwards, at each Station,

FOR THE HALF YEAR ENDING 31st DECEMBER, 1860.

| STATIONS. | No. of Pass'gers. | | Tons Inwards. | | Tons Outwards. | |
|------------------------|-------------------|-----------|------------------|-------------|------------------|-------------|
| | Inwards. | Outwards. | General Freight. | Co.'s Fuel. | General Freight. | Co.'s Fuel. |
| | | | Tons. | Tons. | Tons. | Tons. |
| Portland..... | 46530½ | 34265 | 87489 39 | 5062.50 | 37761 15 | |
| Falmouth..... | 805 | 954 | 370.47 | | 7 21 | |
| Cumberland..... | 620 | 829½ | 73 73 | | 4 01 | |
| Yarmouth..... | 4485 | 4585 | 8 3.42 | 18.00 | 1139 92 | |
| Yarmouth Junction..... | | 1620½ | 1672 59 | | 84 30 | |
| North Yarmouth..... | 974 | 1 71½ | 152 92 | 9 00 | 132 46 | |
| Pownal..... | 1215½ | 826½ | 114 20 | | 600 07 | |
| New Gloucester..... | 963 | 1173½ | 154 08 | 54 00 | 973 83 | |
| Cobb's Bridge..... | 176½ | 323½ | 22 82 | 9 00 | 510 73 | |
| Danville Junction..... | 13481½ | 22420 | 24472 98 | 774 00 | 12078 46 | |
| Hotel Road..... | 205 | 365½ | 61 76 | 9 00 | 194 90 | |
| Empire Road..... | 1221½ | 643½ | 176 96 | 9 00 | 650 72 | |
| Mechanic Falls..... | 1730 | 2087 | 1762 74 | 9 00 | 800.64 | |
| Oxford..... | 626 | 941 | 203.86 | | 500.50 | |
| South Paris..... | 5252 | 5047½ | 1374 27 | | 1321 74 | |
| West Paris..... | 372½ | 422½ | 388 34 | 36 00 | 937 59 | |
| Bryant's Pond..... | 1054 | 1029½ | 703.93 | | 829 20 | |
| Locke's Mills..... | 214½ | 346 | 118 41 | | 278 61 | 306 00 |
| Bethel..... | 1090 | 1531½ | 698 83 | | 661 71 | 99 00 |
| West Bethel..... | 160½ | 185½ | 174.11 | | 478 09 | 81.00 |
| * Gilead..... | 109 | | | | | |
| Shelburne..... | 138½ | 202 | 67 15 | | 30 33 | 162 00 |
| Gorham..... | 3527 | 2020½ | 98 83 | | 1253 87 | 1530.00 |
| Berlin Falls..... | 543 | 646½ | 271 17 | | 7226 89 | |
| West Milan..... | 151½ | 153½ | 224 60 | | 756.30 | |
| * Starke..... | 67½ | | | | | |
| Northumberland..... | 861 | 1040½ | 164 43 | | 1026 39 | 2538.00 |
| Stratford Hollow..... | 89 | 123 | 64 05 | | 855 59 | 760.50 |
| North Stratford..... | 574½ | 805 | 691 39 | | 1991.65 | |
| * Wenlock..... | 88 | | | | | |
| * Foster's Mills..... | 14 | | | | | |
| Island Pond..... | 2485½ | 2270 | 2627.31 | 184 50 | 3300.85 | 513.00 |

ATLANTIC DISTRICT.

APPENDIX XXVI. B.—Continued.

GRAND TRUNK RAILWAY.—AUDIT OFFICE.

STATEMENT shewing the number of Passengers and Tons of Freight, Inwards and Outwards, at each Station, for the half year ending 31st December, 1860.

| STATIONS. | No. of Pass'gers. | | Tons Inwards. | | Tons Outwards. | |
|---------------------------|-------------------|-----------|------------------|------------|------------------|------------|
| | Inwards | Outwards. | General Freight. | Co's Fuel. | General Freight. | Co's Fuel. |
| | | | Tons. | Tons. | Tons. | Tons. |
| Norton. | 22 | | | | | |
| Boundary Line | 17 ½ | 181 ½ | 29 59 | | 357 91 | 720 00 |
| Coaticooke | 531 ½ | 1170 | 525 29 | 720 00 | 360 98 | 184 50 |
| Compton | 952 | 1051 ½ | 246 30 | | 545 11 | |
| Waterville. | 486 | 707 | 338 64 | | 108 12 | |
| Lennoxville. | 110 ½ | 1232 | 491 86 | | 910 00 | |
| Sherbrooke | 4358 ½ | 3703 ½ | 1793 77 | 2426 12 | 807 54 | |
| Brompton Falls | 901 | 1127 ½ | 178 24 | 9 00 | 8961 01 | 342 00 |
| Windsor | 380 | 333 | 26 64 | 849 75 | 31 24 | |
| Richmond. | 3455 ½ | 3913 | 2735 13 | 2282 25 | 1813 45 | 81 00 |
| Durham. | 619 | 541 | 113 41 | 630 00 | 899 81 | 2425 87 |
| Acton | 4045 ½ | 5313 | 2002 08 | | 4466 81 | 2366 25 |
| Upton | 1245 ½ | 2164 ½ | 450 71 | | 1918 42 | 1470 63 |
| Ninth Range | 179 | 706 ½ | | | | |
| Britannia Mills | 476 ½ | 739 ½ | 33 79 | | 1055 15 | 2478 00 |
| St. Hyacinthe | 6758 ½ | 6336 | 2549 05 | 2331 00 | 3782 62 | |
| * Soixante | 350 | | | | | |
| St. Hilaire | 2321 ½ | 2190 ½ | 253 24 | 381 75 | 193 18 | |
| Belœil | | 104 | 1129 89 | | 143 32 | |
| Boucherville. | 354 | 672 | 57 77 | 9 00 | 5 14 | |
| Charons | 340 | 1174 | | | | |
| St. Lambert. | 4061 ½ | 1833 ½ | | | | |
| Danville | 1145 | 1177 | 617 43 | | 1123 58 | 240 00 |
| Warwick | 496 ½ | 475 ½ | 117 26 | | 1953 26 | 825 00 |
| Arthabaska | 1207 ½ | 1441 | 2358 07 | 351 00 | 6946 81 | |
| Stanford | 864 | 914 ½ | 318 60 | | 3704 92 | |
| Somerset. | 1021 | 873 ½ | 543 84 | 474 00 | 1345 65 | 2042 00 |
| Becancour. | 1136 ½ | 1146 | 411 09 | | 4820 91 | 441 00 |
| Methot's Mills | 380 | 395 | 179 91 | | 1823 06 | |
| Black River | 324 | 366 ½ | 79 38 | 216 00 | 1505 23 | |
| Craig's Road | 576 | 1119 | 278 27 | 216 00 | 405 21 | |
| Chaudière. | 543 | 537 | 718 57 | 279 00 | 905 58 | |
| Pointe Levi | 13366 ½ | 18554 | 21122 67 | 1772 00 | 3846 79 | |

EASTERN DISTRICT.

APPENDIX XXVI. B.—Continued.

GRAND TRUNK RAILWAY.—AUDIT OFFICE.

STATEMENT shewing the Number of Passengers and Tons of Freight, Inwards and Outwards, at each Station, for the half year ending 31st December, 1860.

| STATIONS. | No. of Pass'grs. | | Tons Inwards. | | Tons Outwards. | |
|---------------------------|------------------|-----------|------------------|-------------|------------------|-------------|
| | Inwards | Outwards. | General Freight. | Co's. Fuel. | General Freight. | Co's. Fuel. |
| | | | Tons. | Tons. | Tons. | Tons. |
| Montreal | 34764½ | 36690 | 51452 48 | 1222 88 | 32006 35 | ..... |
| Point Claire | 1020 | 1086 | 61 19 | ..... | 202 73 | 54 00 |
| St. Ann's | 722 | 913 | 60 95 | 27 00 | 26 62 | ..... |
| Vaudreuil | 2707½ | 1937½ | 252 32 | 99 00 | 257 06 | ..... |
| *Cedars | 389½ | ..... | ..... | ..... | ..... | ..... |
| Coteau Landing | 2009 | 1697 | 381 58 | 297 00 | 174 16 | ..... |
| *River Beaudette | 253 | ..... | ..... | ..... | ..... | ..... |
| Lancaster | 2175 | 2914 | 669 19 | ..... | 1083 10 | 1611 00 |
| Summerstown | 503½ | 562½ | 9 80 | ..... | 10 33 | ..... |
| Cornwall | 3851½ | 5393 | 451 92 | 1377 00 | 555 65 | ..... |
| *Moulinette | 279½ | ..... | ..... | ..... | ..... | ..... |
| Dickinson's Landing | 1055½ | 1625½ | 238 64 | ..... | 440 14 | 387 00 |
| *Aultsville | 1057 | ..... | ..... | ..... | ..... | ..... |
| Williamsburg | 1510½ | 2142½ | 349 50 | ..... | 486 53 | 12 00 |
| Matilda | 1061 | 1631½ | 235 75 | ..... | 466 74 | 63 00 |
| Edwardsburg | 579½ | 191 | 47 45 | 12 00 | 60 88 | ..... |
| Prescott Junction ..... | ..... | 1096½ | ..... | ..... | ..... | ..... |
| Prescott | 15487½ | 10526½ | 3333 33 | ..... | 1432 47 | ..... |
| Maitland | 229 | 432 | 39 66 | ..... | 155 75 | ..... |
| Brockville | 7694½ | 7744½ | 2684 82 | 3515 40 | 3714 22 | ..... |
| Lyn | 1163½ | 1163½ | 583 47 | ..... | 1517 39 | 459 00 |
| Mallorytown | 481½ | 741 | 92 39 | ..... | 229 40 | ..... |
| Lansdowne | 411½ | 434½ | 86 76 | ..... | 189 06 | 572 40 |
| Gananoque | 990 | 940½ | 145 82 | ..... | 471 96 | 5679 00 |
| Kingston | 9881½ | 8712½ | 2230 22 | 2772 00 | 3980 43 | ..... |
| Ernestown | 156 | ..... | ..... | ..... | ..... | ..... |
| *Bath | 264 | ..... | ..... | ..... | ..... | ..... |
| Napanee | 2238½ | 3323½ | 615 94 | 1248 00 | 365 02 | ..... |
| Tyendenaga | 507 | 539½ | 35 39 | ..... | 72 28 | 1248 00 |
| Shannonville | 835½ | 950 | 79 87 | ..... | 212 83 | ..... |
| Belleville | 7052 | 6804½ | 1284 5½ | ..... | 636 15 | 320 00 |
| Trenton | 2575½ | 2974 | 1338 04 | ..... | 309 46 | 9 00 |
| Brighton | 2434 | 2312 | 256 82 | ..... | 617 13 | 975 00 |
| Colborne | 2374 | 2514½ | 281 99 | ..... | 519 07 | 980 00 |
| Grafton | 1049½ | 1133½ | 164 83 | 19 00 | 353 94 | 643 50 |
| Cobourg | 8768 | 8021 | 1241 79 | 2908 50 | 3193 83 | ..... |
| Port Hope | 8691½ | 7696½ | 2524 03 | ..... | 4621 46 | ..... |
| Newtonville | 477 | 572½ | 157 30 | ..... | 175 36 | 166 50 |
| Newcastle | 1963 | 2607 | 257 28 | 481 75 | 1092 72 | ..... |
| Bowmanville | 3880 | 4425½ | 575 48 | ..... | 1879 16 | 10 00 |
| Oshawa | 2690 | 3735 | 952 56 | 10 00 | 2933 82 | 314 25 |
| Whitby | 3866 | 5309½ | 1380 31 | ..... | 1664 93 | 245 00 |
| Duffin's Creek | 780½ | 1041 | 107 73 | ..... | 1220 45 | 465 12 |
| Frenchman's Bay | 734 | 1368 | 117 19 | ..... | 856 68 | 207 00 |
| Port Union | 358 | 565½ | 64 86 | ..... | 169 07 | ..... |
| Scarboro | 1073½ | 1392½ | 346 84 | 5 00 | 405 61 | ..... |

CENTRAL DISTRICT.

APPENDIX XXVI. B.—Continued.
GRAND TRUNK RAILWAY.—AUDIT OFFICE.

STATEMENT shewing the Number of Passengers and Tons of Freight, Inwards and Outwards, at each Station, for the half year ending 31st December, 1860.

| STATIONS. | No. of Pass'gers. | | Tons Inwards. | | Tons Outwards. | |
|---------------------------|-------------------|--------------------|------------------|-----------------|------------------|-----------------|
| | Inwards | Outwards | General Freight. | Co.'s Fuel. | General Freight. | Co.'s Fuel. |
| | | | | | | |
| WESTERN DISTRICT. | | | | | | |
| Toronto | 44276 | 28944½ | 29543.48 | 3911.12 | 27696.58 | |
| Can'ton. | 785 | 1091½ | 100.95 | | 88.77 | |
| Weston | 2545 | 4445 | 226.47 | 27.00 | 1514.27 | |
| Malton | 1461½ | 2750 | 270.00 | 27.00 | 176.4½ | |
| Brampton | 3690 | 6739½ | 1467.74 | 423.00 | 3618.49 | 36.00 |
| Norval | 407 | 681 | 82.38 | 18.00 | 1167.26 | 585.00 |
| Georgetown. | 2666 | 3482 | 905.62 | | 4891.23 | 216.00 |
| Lime House | 304 | 421½ | | | | |
| Acton. | 2367½ | 2533 | 233.94 | 895.50 | 2203.78 | 1692.00 |
| Rockwood | 3097½ | 3371½ | 192.01 | 36.00 | 1881.46 | 1565.25 |
| Guelph. | 5867½ | 9539 | 2929.34 | | 5162.35 | |
| Schantz | 197 | 218 | 94.79 | | 1160.27 | 629.25 |
| Breslau | 121 | 130 | 54.46 | | 604.09 | 252.00 |
| Berlin. | 2294½ | 2518 | 1183.29 | 549.00 | 2756.12 | 18.00 |
| Petersburg | 263½ | 297 | 212.62 | | 600.52 | |
| Baden. | 420 | 483 | 92.35 | | 238.79 | |
| Hamburg | 754 | 766½ | 304.52 | 18.00 | 455.17 | |
| Shakespeare. | 480 | 549 | 114.71 | | 346.89 | |
| Stratford. | 6425½ | 6009 | 2586.90 | | 4366.94 | 513.00 |
| St. Mary's. | 4268 | 5233 | 1975.06 | 942.43 | 2953.35 | |
| Thorndale | 511½ | 954 | 135.54 | | 118.77 | 771.78 |
| London | 5301 | 3476 | 2505.78 | 342.35 | 5311.32 | |
| Lucan | 633½ | 702 | 436.17 | 29.00 | 1590.50 | |
| Craig's. | 676½ | 672 | 178.24 | | 1225.23 | 30.00 |
| Westwood | 196 | 314 | 19.27 | 10.00 | 141.42 | 9.00 |
| Widder | 1453½ | 1204 | 193.44 | 355.00 | 1171.15 | |
| Forrest | 432 | 477 | 89.22 | | 1151.97 | 355.00 |
| Perth. | 69 | 93 | | | | 460.00 |
| Sarnia. | 2412 | 2112 | 1228.87 | 460.00 | 2288.71 | |
| Detroit Extension. | | | | | | |
| Port Huron | 3456 | 3430 | 1486.84 | | 90.93 | |
| Smith's Creek | 297 | 621 | 11.70 | | 436.30 | |
| Ridgeway | 1902 | 2693 | 281.77 | | 1952.32 | |
| New Baltimore. | 91½ | 1304 | 50.11 | | 130.36 | |
| Mount Clemens. | 1564½ | 2320 | 111.10 | | 147.95 | |
| Ulrica Road. | 554 | 97 | 25.35 | | 49.88 | |
| Detroit Junction. | | 835 | | | | |
| Detroit | 14284½ | 7142 | 2677.57 | | 15342.49 | |
| Conductors | 11474½ | 11474½ | | | | |
| Total | 418076½ | 418076½ | 92986.13 | 41158.80 | 292986.13 | 41158.80 |
| FREIGHT. | Tons. | PASSENGERS. | FREIGHT. | Tons. | | |
| Lumber and Firewood.. | 75879½ | Foreign..... | 60682 | Foreign..... | 281022 | |
| General Goods..... | 258265½ | Local..... | 357394½ | Local..... | 53123 | |
| Total..... | 334145 | | 418076½ | | 334145 | |

AUDIT OFFICE.

GENERAL PASSENGER STATEMENT FOR THE HALF YEAR ENDING 31ST DECEMBER, 1850.

| | | |
|--|--|-------------|
| LOCAL, from Station to Station..... | | 357394½ |
| FOREIGN, to and from G. T. R. Stations— | Androscoggin and Kennebec Railway, | 14720 |
| “ “ “ “ “ “ | Stages..... | 2569 |
| “ “ “ “ “ “ | Portland, Saco and Portsmouth R’y., | 5390½ |
| “ “ “ “ “ “ | Portland Steam Packet Company,... | 2245 |
| “ “ “ “ “ “ | St. John Boat,..... | 25½ |
| “ “ “ “ “ “ | Lake Magog Steamer,..... | 89 |
| “ “ “ “ “ “ | New York,..... | 620 |
| “ “ “ “ “ “ | Ottawa and Prescott Railway,..... | 8796½ |
| “ “ “ “ “ “ | Brockville and Ottawa Railway,.... | 122 |
| “ “ “ “ “ “ | Cobourg and Peterborough Railway,. | 160 |
| “ “ “ “ “ “ | Rochester Steamers,..... | 177½ |
| “ “ “ “ “ “ | Cape Vincent Steamers,..... | 3 |
| “ “ “ “ “ “ | Port Hope B and Lindsay Railway,. | 16 |
| “ “ “ “ “ “ | Roads off Ogdensburg,..... | 191 |
| “ “ “ “ “ “ | New York <i>viâ</i> Cape Vincent,..... | 57 |
| “ “ “ “ “ “ | Roads off Toronto,..... | 3038 |
| “ “ “ “ “ “ | Buffalo and Lake Huron Railway,.. | 298½ |
| “ “ “ “ “ “ | Roads off Detroit,..... | 5815 |
| “ “ “ “ “ “ | Boston Agency (Rail and Boat),.... | 1915½ |
| | | 46249 |
| Through from | Androscoggin Railway to Boston,..... | 7202 |
| “ “ | Boston to Androscoggin Railway,..... | 5370 |
| “ “ | Boston Agency to Roads off Toronto,..... | 454½ |
| “ “ | “ “ “ “ “ “ Detroit,..... | 7. |
| “ “ | “ “ “ “ “ “ Ottawa and Prescott Railway,..... | 8 |
| “ “ | “ “ “ “ “ “ <i>viâ</i> Ogdensburg to Roads off Toronto,..... | 155 |
| “ to and from | Roads off Toronto and Roads off Ogdensburg,..... | 240½ |
| “ “ | “ “ “ “ “ “ Ottawa and Prescott R’y,.. | 17½ |
| “ “ | “ “ “ “ “ “ Boston <i>viâ</i> Portland,..... | 33 |
| “ “ | “ “ “ “ “ “ Androscoggin Railway,..... | 30 |
| “ “ | Roads off Detroit and Roads off Ogdensburg,..... | 718 |
| “ “ | “ “ “ “ “ “ Ottawa and Prescott R’y,.. | 8 |
| “ “ | “ “ “ “ “ “ Boston <i>viâ</i> Portland,..... | 113½ |
| “ “ | “ “ “ “ “ “ Androscoggin Railway,.... | 8 |
| | | 14433 |
| Total number of Passengers,..... | | 418076½ |
| Total number of Miles travelled,..... | 31773899 | |
| Average distance travelled by each Passenger,..... | 76 | |
| Total Passenger Receipts,..... | | \$71022023½ |
| Average Receipt per Passenger,..... | | 1.69.87 |
| Average Receipt per Passenger per Mile,..... | | 2.23 |

As compared with half year ending 31st December, 1859.

| | | | |
|---|-----------|-------|-----------|
| Miles travelled by each Passenger,..... | Increased | 6.02 | per cent. |
| Average Receipt per Passenger,..... | “ | 10.19 | “ |
| Average Receipt per Passenger per Mile..... | “ | 3.72 | “ |

STATEMENT SHEWING DISTANCES TRAVELLED BY PASSENGERS.

| | | | | | |
|-------------|---------------------------------|--------|-------------|--------------------------------|------|
| TRAVELLING— | under 10 Miles. | 53586 | TRAVELLING— | 400 Miles and under 450 Miles, | 3103 |
| “ “ | 10 Miles and under 20 “ | 72277 | “ “ | 450 “ “ “ 500 “ | 647 |
| “ “ | “ “ 30 “ | 81241 | “ “ | 500 “ “ “ 550 “ | 2241 |
| “ “ | “ “ 50 “ | 70881 | “ “ | 550 “ “ “ 600 “ | 2183 |
| “ “ | “ “ 75 “ | 38201½ | “ “ | 600 “ “ “ 650 “ | 1042 |
| “ “ | “ “ 100 “ | 17603 | “ “ | 650 “ “ “ 700 “ | 140 |
| “ “ | “ “ 150 “ | 23697 | “ “ | 700 “ “ “ 750 “ | 1462 |
| “ “ | “ “ 200 “ | 22160 | “ “ | 750 “ “ “ 800 “ | 62 |
| “ “ | “ “ 250 “ | 8887 | “ “ | 800 “ “ “ 850 “ | 711 |
| “ “ | “ “ 300 “ | 6684 | “ “ | 850 “ “ “ 900 “ | 844 |
| “ “ | “ “ 350 “ | 9212 | “ “ | 900 “ “ “ 950 “ | 4 |
| “ “ | “ “ 400 “ | 962 | “ “ | 950 and over. | 244 |

J. HARDMAN, Auditor.

APPENDIX

GRAND TRUNK RAILWAY

REVENUE SUSPENSE ACCOUNT being charges against Revenue which have
were incurred

Dr.

| | \$ | cts. |
|--|----------------|------|
| Charges on the Company's Freight, viz : that portion which belonged to Revenue Account incurred previously to 1st July, 1860 | 46,930 | 86 |
| Returned Gzowski & Co. overcharge on Engines and Cars for ballasting | 23,294 | 70 |
| Re-rolled rails paid for in the present half year, but received in preceding half year | 11,528 | 37 |
| Loss on working River du Loup line, in previous accounts | 8,169 | 35 |
| Paid on Lake Steamers in previous accounts | 3,815 | 00 |
| Paid for Insurance on Buildings at Point St. Charles, per previous accounts | 23,895 | 58 |
| Balance for hire of Cars | 77 | 85 |
| Furniture and supplies to Sarnia Hotel in previous accounts | 9,524 | 48 |
| Maintenance Tools purchased of Contractors | 5,237 | 33 |
| Union Station expenses overcharged and returned | 827 | 94 |
| Traffic Department—Bad debts written off | 11,882 | 62 |
| | 145,184 08 | |
| Rents and Interest on Mortgages :— | | |
| Atlantic and St. Lawrence, lease account | \$2,248,766 | 22 |
| Rent of lands at South Quebec | 1,864 | 39 |
| Interest on mortgage on lands at Toronto | 751 | 00 |
| Do. lands at Sarnia | 2,400 | 00 |
| | 2,253,781 61 | |
| | \$2,398,965 69 | |

REVENUE ACCOUNT—

| | \$ | cts. |
|---|--------------|------|
| Revenue Suspense Account—Amount charged to Revenue on Transactions previous to 30th June, 1860..... | 924,668 | 75 |
| Balance at debit of Revenue Account for half year ending 31st December, 1860 | 10,440 | 57 |
| | 2,396,781 83 | |

4th April, 1861.

(XXVII.)—Continued.

COMPANY OF CANADA.

been made in the Company's Books in the present half year—but which previous to 1st July, 1860.

Cr.

| | \$ | cts. |
|---|-----------|------|
| Amount credited Detroit Company, per first agreement—returned—the agreement being cancelled | 5,114 | 73 |
| Credits on maintenance account | 5,865 | 65 |
| Received from Sarnia/Hotel | 1,053 | 73 |
| Fines..... | 590 | 32 |
| | 12,624 | 43 |
| Balance debited to Revenue Account, 31st December, 1860..... | 2,386,341 | 26 |
| | 2,398,965 | 69 |

(GENERAL.)

| | \$ | cts. |
|--|-----------|------|
| Balance at Credit of Revenue in accounts of 30th June, 1860, as audited | 1,472,113 | 08 |
| { Balance carried down—being the debit against Revenue Account on 31st December, 1860..... | 2,396,781 | 83 |
| | 2,396,781 | 83 |

H. HEMMING.

APPENDIX
GRAND TRUNK RAILWAY
REVENUE ACCOUNT for the Half

Dr.

| EXPENDITURE. | | \$ | cts. |
|---|-----------|--------------|------|
| Expenses connected with the Locomotives.....(G) | | 407,431 | 61 |
| Do. with the Passenger Traffic.....(H) | | 125,401 | 42 |
| Do. with the Merchandize Traffic.....(I) | | 266,243 | 02 |
| Maintenance of the Way and Buildings.....(K) | | 474,142 | 74 |
| General charges connected with the Traffic.....(L) | | 64,262 | 16 |
| Expenses of working the Telegraph.....(M) | | 11,669 | 21 |
| General expenses, including direction, law charges, &c.....(N) | | 29,543 | 33 |
| Taxes.....(O) | | 16,748 | 61 |
| Expenses of working the Ferry Boats..... | | 11,748 | 91 |
| Victoria Bridge maintenance..... | | 580 | 83 |
| Expenses of Sarnia Hotel..... | | 2,678 | 80 |
| Land damages..... | | 1,451 | 01 |
| Loss and damage to property..... | | 17,947 | 90 |
| Compensation for loss and injury to life..... | | 1,581 | 70 |
| Cattle claims..... | | 1,239 | 37 |
| Conveyance of Passengers and Mails to and from stations..... | | 1,064 | 94 |
| Cartage and expenses on Passengers and goods..... | | 11,743 | 90 |
| Expenses of Agencies in the United States..... | | 23,540 | 90 |
| Expenses of Agencies in Europe..... | | 2,698 | 25 |
| Ogdensburg Ferry..... | | 993 | 25 |
| Loss on working River du Loup line..... | | 4,889 | 26 |
| Paid on contract with proprietors of Lake Steamers..... | | 14,590 | 00 |
| Freight of Company's stores and fuel credited but not otherwise charged | | 22,136 | 72 |
| | | 1,514,327 | 84 |
| Rents and Interest on Mortgages:— | | | |
| Atlantic and St. Lawrence Railroad Company.... | \$190,832 | 40 | |
| Chicago, Detroit and Canada R. G. T. J. Co..... | 87,600 | 00 | |
| Rent of lands at South Quebec..... | 1,370 | 00 | |
| Do. at Point St. Charles, Montreal..... | 2,990 | 58 | |
| Interest on mortgage on lands at Toronto..... | 1,111 | 00 | |
| Do. do. at Sarnia..... | 2,400 | 00 | |
| | | 286,303 | 98 |
| | | \$ 1,800,631 | 82 |

4th April, 1861.

(X XVII.)—Continued.

COMPANY OF CANADA.

Year ending 31st December, 1860.

Cr.

RECEIPTS.

| | \$. | cts. |
|---|--------------|------|
| Passengers,—No. 418,076}..... | 705,472 | 58 |
| Special Service..... | 4,422 | 30 |
| Baggage..... | 4,747 | 66 |
| Mails..... | 57,652 | 80 |
| Merchandise,—Tons 334,145..... | 1,011,030 | 71 |
| Expresses..... | 15,199 | 89 |
| Car Hire..... | 546 | 64 |
| Telegraph Messages..... | 1,165 | 76 |
| Newspaper Rent..... | 266 | 66 |
| Ticket Printing..... | 10 | 00 |
| Rents..... | 10,461 | 99 |
| Sarnia Hotel..... | 1,560 | 00 |
| Amount from Great Western and Northern Railways for use of Union Station, Toronto..... | 2,009 | 98 |
| Amount from same Companies for expenses of the same..... | 2,504 | 26 |
| Received for charter of a Ferry Boat..... | 400 | 00 |
| Fines..... | 123 | 98 |
| | 1,817,575 | 21 |
| Less Disputed Claim on Traffic Returns..... | 27,383 | 96 |
| | 1,790,191 | 25 |
| Balance at debit of Revenue Account for half year ending 31st December, 1860, after payment of Rents and Interest on Mortgages... | 10,440 | 57 |
| | \$ 1,800,631 | 82 |

H. HEMMING.

APPENDIX XXVII.—(Continued.)

DETAILS of Expenditure referred to in Revenue Account.

| LOCOMOTIVE EXPENSES, (G.) | Detroit Extension. | Total (including Detroit Ext.) |
|---|-----------------------|--------------------------------------|
| | \$ cts. | \$ cts. |
| Salaries and Wages connected with the working of the Locomotives. | 5635 48 | 95750 71 |
| Firewood | 4292 19 | 134954 53 |
| Oil, Tallow and Waste | 469 31 | 14383 46 |
| Materials for repairing Engines and Tenders | 11245 03 | 58847 16 |
| Wages for repairing Engines and Tenders | 2917 60 | 73701 52 |
| Repairs to Workshops, Tanks, Tools, &c. | | 824 82 |
| Repairs not done by the Company | | 11435 79 |
| Lighting | | 664 59 |
| Small Stores | | |
| Water | 642 24 | 16968 93 |
| | 25201 90 | 407431 61 |
| PASSENGER TRAFFIC EXPENSES, (H) | | |
| Salaries to Superintendents, Booking Clerks, &c. | 1701 87 | 20591 21 |
| Wages to Conductors, Brakesmen, &c. | 1691 50 | 30456 20 |
| Oil, Tallow and Waste | 114 64 | 3241 50 |
| Materials for repairing Cars | 2466 32 | 17335 24 |
| Wages for repairing Cars | 512 79 | 18993 02 |
| Repairs to Workshops, Tanks, Tools, &c. | 28 18 | 4649 96 |
| Repairs not done by the Company | | 2205 11 |
| Fuel | 416 92 | 7930 89 |
| Small Stores | 31 93 | 176 68 |
| Lighting | 389 46 | 5121 88 |
| Wages to Switchmen | 765 81 | 13662 71 |
| Miscellaneous | 132 97 | 1036 99 |
| | 8252 39 | 125401 42 |
| MERCHANTIZE TRAFFIC EXPENSES, (I) | | |
| Salaries to Superintendents, Clerks, &c. | 1658 90 | 23494 52 |
| Wages to Conductors, Brakesmen, and Porters | 3235 86 | 81638 49 |
| Oil, Tallow and Waste | 422 05 | 16398 85 |
| Materials for repairing Cars and Sheets | 7474 27 | 44886 21 |
| Wages for repairing Cars and Sheets | 1126 91 | 43926 82 |
| Repairs to Workshops, Tanks, Tools, &c. | 44 51 | 8857 30 |
| Repairs not done by the Company | | 2225 04 |
| Lighting | 135 79 | 6166 01 |
| Fuel | 472 52 | 9075 75 |
| Small Stores | 75 85 | 294 57 |
| Wages to Switchmen | 767 84 | 15116 96 |
| Miscellaneous | 2586 43 | 9161 50 |
| | 18050 93 | 266243 02 |
| MAINTENANCE OF WAY AND BUILDINGS, (K) | | |
| Inspectors, Platelayers and Laborers Wages and Tools. | 9673 62 | 123215 56 |
| Rails, Chairs, Ties, Fittings | 701 64 | 185953 62 |
| Ballast and Ballasting | 3332 40 | 44110 28 |
| Repairs to Bridges, Culverts, &c. | 1169 90 | 55563 05 |
| Repairs to Stations, Buildings, &c. | 7244 59 | 23540 87 |
| Repairs to House property | 169 83 | 4663 35 |
| Proportion of Engineers Salaries and Office Expenses | 917 49 | 14075 57 |
| Maintenance contracted for | | 19440 04 |
| Small Stores | | 320 02 |
| Lighting | 33 | 198 82 |
| Fuel | 5 14 | 248 90 |
| Miscellaneous | | 812 66 |
| | 23214 94 | 474143 74 |

APPENDIX XXVII.—(Continued.)

DETAILS of Expenditure referred to in Revenue Account.

| GENERAL CHARGES, (L.) | Detroit Extension. | Total (including Detroit Ext.) |
|---|--------------------|--------------------------------|
| | \$ cts. | \$ cts. |
| Salaries to Officers and Clerks..... | | 26643 83 |
| Advertising, Printing, &c..... | 271 33 | 19574 01 |
| Law Charges for General Business..... | 27 33 | 4372 19 |
| Insurance..... | | 501 51 |
| Storekeepers Wages and Office Expenses..... | | 337 21 |
| Travelling Expenses..... | 33 00 | 1762 09 |
| Rents and General Office Expenses..... | | 4399 54 |
| Premium of Exchange paid..... | | 273 33 |
| Discount and Loss on Bills..... | | 641 40 |
| Miscellaneous..... | 523 11 | 5757 00 |
| | \$49 82 | 64262 16 |

TELEGRAPH CHARGES, (M.)

| | | |
|----------------------|--------|----------|
| Salaries..... | 693 58 | 10237 41 |
| Instruments..... | | 6 15 |
| Repairs..... | | 37 03 |
| Office Fittings..... | | 135 33 |
| Batteries..... | 30 83 | 716 20 |
| Incidentals..... | 1 68 | 486 46 |
| Stationery..... | | 63 |
| | 776 09 | 11659 21 |

GENERAL EXPENSES, (heretofore charged to Capital Account.) (N.)

| | | |
|---|--|----------|
| Salaries and Office Expenses..... | | 5006 69 |
| Direction..... | | 8516 67 |
| Books, Stationery, Advertising, &c..... | | 2463 68 |
| Insurance..... | | 2713 69 |
| Lighting..... | | 78 43 |
| Auditing..... | | 677 90 |
| Law and Notarial Charges..... | | 4378 72 |
| Travelling and Miscellaneous..... | | 5697 55 |
| | | 29543 33 |

TAXES, (O.)

| | | |
|----------------------|--|----------|
| School Taxes..... | | 1904 43 |
| Municipal Taxes..... | | 10150 23 |
| Road Taxes..... | | 5393 90 |
| | | 16748 61 |

FERRY BOATS.

| | |
|-------------------------------------|----------|
| Sarnia Ferry Boats..... | 11490 65 |
| Longueil Ferry Boats (repairs)..... | 253 26 |

\$11743 91

APPENDIX
GRAND TRUNK RAILWAY

STATEMENT of the Total Expenditure of the Company and of the

| EXPENDED ON | | \$ | cts. | \$ | cts. |
|--|-------------------|----------|------|----------------|-----------|
| Eastern Division : | 362 Miles. | | | | |
| Engineering | | 547863 | 53 | | |
| Works and permanent way | | 12831327 | 97 | | |
| Stations, Buildings and Offices | | 1152777 | 37 | | |
| Miscellaneous stock | | 70282 | 02 | | |
| Electric Telegraph | | 30682 | 25 | | |
| General Expenses | | 905594 | 66 | | |
| | | | | 15538527 | 80 |
| Victoria Bridge..... | | | | 6599300 | 68 |
| Central Division : | 335 Miles. | | | | |
| Engineering | | 373447 | 42 | | |
| Works and permanent way | | 14351401 | 03 | | |
| Stations, Buildings and Offices..... | | 1685924 | 09 | | |
| Miscellaneous stock..... | | 32732 | 64 | | |
| Electric Telegraph..... | | 24485 | 89 | | |
| General Expenses | | 731077 | 54 | | |
| | | | | 17199068 | 61 |
| Western Division : | 190 Miles. | | | | |
| Engineering..... | | 220418 | 58 | | |
| Works and permanent way | | 7558493 | 55 | | |
| Stations, Buildings and Offices..... | | 694729 | 63 | | |
| Miscellaneous stock..... | | 24769 | 25 | | |
| Electric Telegraph..... | | 13576 | 90 | | |
| General Expenses..... | | 150942 | 64 | | |
| Compensation to Contractors | | 121666 | 67 | | |
| | | | | 8784602 | 22 |
| Lands and land damages..... | | | | 210007 | 38 |
| Rolling stock : | | | | | |
| Locomotive stock | | 2377330 | 68 | | |
| Passenger car stock | | 484311 | 52 | | |
| Merchandize car stock..... | | 1916513 | 52 | | |
| | | | | 4778155 | 72 |
| Portland Division (Leased Line) : | 149 Miles. | | | | |
| Engineering | | 10752 | 35 | | |
| Works and permanent way | | 942835 | 28 | | |
| Stations, Buildings and Offices..... | | 362988 | 19 | | |
| Miscellaneous stock | | 7128 | 51 | | |
| Electric Telegraph..... | | 9467 | 47 | | |
| General Expenses | | 118641 | 07 | | |
| Rolling stock | | 161752 | 07 | | |
| Lands in Portland Division | | 7666 | 75 | | |
| | | | | 1621231 | 69 |
| <i>Amount carried forward.....</i> | | | | 54730894 | 10 |

XXVIII.

COMPANY OF CANADA.

Sources whence its funds have been provided, to 31st December, 1860.

| PROVIDED BY | | | | |
|--|------------|----|-------------|-------------|
| | | \$ | cts. | \$ |
| Consolidated stock: | | | | |
| Shares consolidated into stock | | | | 13503649 00 |
| Share Account: | | | | |
| Shares not yet consolidated | | | 14438 48 | |
| Received on forfeited shares..... | | | 6716 00 | |
| | | | | 21154 48 |
| Debenture Capital: | | | | |
| Montreal City Debentures | 400000 00 | | | |
| Island Pond Debentures | 438000 00 | | | |
| Brit. Am. Land Company Debentures..... | 100000 00 | | | |
| Montreal Seminary Debentures..... | 100000 00 | | | |
| | | | 1038000 00 | |
| Quebec and Richmond Debentures | | | 486666 67 | |
| Grand Trunk Debentures: | | | | |
| 6 per cent. Ordinary Debentures | | | | 8394221 34 |
| 7 do Debentures due 1862 | 2420490 21 | | | |
| do do 1867 | 2433333 33 | | | |
| do do 1872..... | 2288212 37 | | | |
| | | | | 7142035 91 |
| Amount received on unissued Company's Debentures allotted with forfeited Shares, and on Debenture Certificates: | | | | |
| Company's | 17763 34 | | | |
| Government..... | 17763 34 | | | |
| | | | 35526 68 | |
| | | | | 17096450 60 |
| Preference Debenture Capital: | | | | |
| First Preference Debentures | | | 9733333 33 | |
| Second Preference Debentures..... | | | 4066262 23 | |
| | | | | 13799595 56 |
| Provincial Debentures: | | | | |
| Amount of the Provincial Debentures issued on account of the St. Lawrence and Atlantic R. R. | | | 2275166 67 | |
| do Quebec and Richmond R. R. | | | 1216666 66 | |
| do Grand Trunk Railway..... | | | 11650800 00 | |
| | | | | 15142633 33 |
| Total Nominal Capital..... | | | | 59563482 97 |
| Add—Premium on sale of Debentures | | | | 330693 88 |
| <i>Amount carried forward</i> | | | | 59894176 85 |

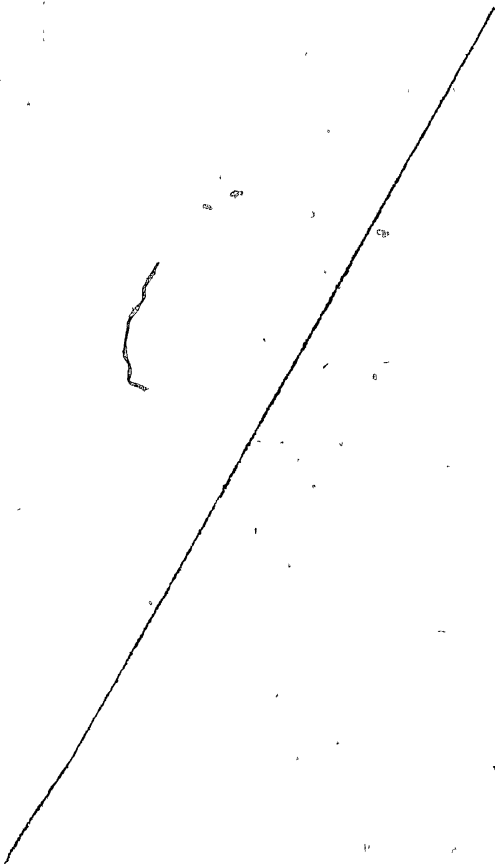
APPENDIX
GRAND TRUNK RAILWAY
STATEMENT of the Total Expenditure of the Company and of the

| EXPENDED ON | \$ cts. | \$ cts. |
|---|-------------|-------------|
| <i>Amount brought forward</i> | | 54730894 10 |
| Sundries : | | |
| Steam Ferry Boats and Barges..... | 283516 64 | |
| Advanced in Canada on Three Rivers and Arthabaska Branch, (exclusive of drafts from Canada on fund in hands of Messrs. Baring)..... | 356133 50 | |
| Expended on Works of Detroit Line..... | 29026 29 | |
| do on Telegraph, miscellaneous stock, &c. of Detroit Line..... | 10519 74 | |
| Cash advances to be repaid by Detroit Company..... | 11432 45 | |
| Port Hope Railway Junction..... | 4013 56 | |
| Union Station, Toronto..... | 20518 27 | |
| Montreal Extension Railway..... | 1051 96 | |
| River du Loup and Woodstock survey..... | 1251 00 | |
| London Office expenses..... | \$123305 74 | |
| Less—Transfer fees..... | 4623 33 | |
| | 118682 41 | |
| Subscription to St. Lawrence Warehouse and Dock Co.... | 123000 00 | 959145 82 |
| Balance of Interest paid on capital to 30th June, 1860, taken as the date of the completion of the Line. (The Interest on the Atlantic and St. Lawrence Shares and Debentures, included in the Atlantic and St. Lawrence Lease account, is charged to Revenue)..... | | 8778909 16 |
| Interest on Capital paid since completion of Line as above..... | | 388149 28 |
| Unpaid Interest, Debenture capital, London..... | | 655417 81 |
| General Interest account, Canada..... | | 349141 93 |
| Discount on Bills, London..... | | 276637 96 |
| Discount on Sale of Atlantic and St. Lawrence Shares..... | | 3990 67 |
| Balance at Debit of Revenue account, on 31st December, 1860—see Revenue account A..... | | 924668 75 |
| Debenture Purchase account..... | | 292 00 |
| Accounts to be classified and charged against Districts of Line: | | |
| J. Bell, Solicitor..... | 3163 36 | |
| Peto & Co., Balance paid (invoice wanted) and small balance of stores..... | 3380 00 | |
| Rhydny Iron Company (invoice wanted)..... | 15208 78 | |
| T. E. Blackwell's Drawing account..... | 9976 85 | |
| Abbott and Freer (Their account per contra received and awaiting complete certification)..... | 16511 86 | |
| Goods purchased in London..... | 3856 07 | |
| | | 52096 92 |
| <i>Amount carried forward</i> | | 67119344 40 |

X X V I I I.—Continued.

COMPANY OF CANADA.

Sources whence its funds have been provided, to 31st December, 1860.

| PROVIDED BY | | | |
|--|--|---------|-------------|
| | | \$ | cts. |
| <i>Amount brought forward</i> | | | 59894176 85 |
| Deduct—Discount on sale of stock and Debentures..... | | 1845597 | 70 |
| Exchange and commission..... | | 131583 | 11 |
| Preference Capital Expense account..... | | 81259 | 04 |
| | | | 2058439 85 |
|  | | | |
| <i>Amount carried forward</i> | | | 57835737 00 |

APPENDIX
GRAND TRUNK RAILWAY
STATEMENT of Total Expenditure of the Company and of the

| EXPENDED ON | | | |
|--|------------------------------|-----------|-------------|
| | Amount brought forward | \$ cts | \$ cts. |
| | | | 67119344 40 |
| Assets hypothecated and otherwise : | | | |
| Atlantic and St. Lawrence Shares. | in hand | 158166 65 | |
| Atlantic and St. Lawrence Debentures..... | " | 36500 00 | |
| Toronto City Debentures..... | " | 229706 67 | |
| Toronto Bonds—Suspense account..... | | 90293 33 | |
| Cash at Bankers | 127925 18 | | |
| Petty Cash | 127 97 | | |
| | | 128053 15 | |
| Stores in hand—per Ledger..... | 417452 22 | | |
| Fuel in hand | 192108 65 | | |
| | | 609560 87 | |
| Outstanding Traffic accounts | 546182 33 | | |
| Less, Cash accounted for in London on "Thro' Traffic" account | 35526 68 | | |
| | | 510655 65 | |
| Amount placed in the hands of the Provincial Agents under Act 19 & 20 Vict. Cap. III,—(Balance in excess of drafts from Canada to be accounted for) : | | | |
| On account of Three Rivers and Arthabaska Line | 409225 83 | | |
| On account of Subsidiary Lines..... | 327770 00 | | |
| | | 736995 83 | |
| At Debit of Atlantic and St. Lawrence R. R. Company ... | | 23179 92 | |
| Due on Steamship Wharf, Portland | | 26694 39 | |
| Amount paid the Commissioners of the Sinking Fund for redemption of the Portland City Loan..... | | 236250 00 | |
| Unissued Provincial Bonds account..... | | 9441 33 | |
| Canada Drawing account | | 24000 00 | |
| London Secretary's Drawing account | | 1569 35 | |
| Postmaster General of Canada..... | | 6738 92 | |
| Bills Receivable—London | | 24333 33 | |
| Great Western Railway Company..... | | 3762 50 | |
| Northern Railway Company | | 7225 61 | |
| Port Hope and Lindsay Railway Company..... | | 240 71 | |
| Michigan Central Railway Company..... | | 341 92 | |
| Petty Debtors account and other minor Debits..... | | 21098 36 | |
| Victoria Bridge Inauguration account (payable by the Canadian Government) | 13643 04 | | |
| Do. (Balance in suspense) | 2000 00 | | |
| | | 15643 04 | |
| Outstanding Traffic accounts (1853) | | 3504 32 | |
| Lands and Buildings at Sarnia, in excess of amount trans- ferred to Construction account on Western Division. ... | | 45649 82 | |
| | | | 2879605 67 |
| | | | 69993950 07 |



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