

REPORT  
OF THE  
**DIRECTORS**  
OF THE  
COBOURG AND PETERBOROUGH  
**RAILWAY COMPANY,**  
TO THE  
STOCKHOLDERS.

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COBOURG:  
PRINTED AT THE OFFICE OF THE "COBOURG STAR."  
1853.

THE GREAT

STOCKHOLDERS

AND THE PUBLIC

RAILWAY COMPANY

STOCKHOLDERS

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THE  
GEOGRAPHICAL

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STATISTICAL

YEAR BOOK

OF THE  
GEOGRAPHICAL SOCIETY OF GREAT BRITAIN

1897

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## DIRECTORS.

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S. E. MACKECHNIE, Esq., *President.*

THOS. SCOTT, Esq., *Vice President.*

G. M. BOSWELL, Esq.      A. JEFFREY, Esq.

D. E. BOULTON, "      J. LANGTON, "

HY. COVERT, "      T. SHORT, "

J. B. FORTUNE, "

G. S. DAINTRY, *Secretary.*

Cobourg and Peterboro' Railroad Office, }  
Cobourg, 7th February, 1853. }

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**REPORT OF THE DIRECTORS**  
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**COBOURG & PETERBORO' RAILWAY CO.,**  
**TO THE STOCKHOLDERS.**

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THE DIRECTORS of the Cobourg and Peterboro' Railway Company, in retiring from office, according to the provisions of the Act of Incorporation, beg leave to lay before the Stockholders the following

**REPORT:**

A Charter having been obtained from the Legislature, by the well-directed energies of the Provisional Committee who had been selected for the purpose, the Company was duly organized, and placed under the charge of your Directors on the 30th day of November last.

The preliminary Survey, and Report made by the Directors of that Committee, with great accuracy and care, conveyed the certainty of an eligible route for your line of Railway, at a reasonable cost. Your Directors, therefore, having, in conformity to your Charter, appointed a President and Secretary, deemed it to be their first duty to examine the financial condition of the Company, with a view to ascertain whether they could, with propriety, at once take the necessary measures for putting the work under contract.

The cost of the Road with all the necessary equipments to commence business, was estimated by Mr. Keefer, under whose superintendance the survey had been made at £125,000; and it was stated by him in his Report that an offer had been made by a Contractor of known ability and standing, to complete it for that sum, and to take in payment one-third of the amount in the Bonds of the Company. Your Directors therefore felt justified in adopting this estimate as the basis of their financial scheme. The sum necessary to be raised in cash and Debentures, would, under this estimate, be only about £85,000. The Town of Cobourg had already consented to take £30,000 in Stock. The Township of Hamilton had passed a By-law taking £15,000. The private Stock could with safety be depended upon for £10,000, or £15,000 more, as no effort had yet been made to get Stock taken; and many persons stood ready to subscribe considerable sums when the work should be once commenced. The several Municipalities of Otonabe, Monaghan, Haldimand and Alnwick, deeply and permanently interested as they all are in this important enterprize, your Directors were of opinion, might also reasonably be expected to contribute a considerable sum in Stock. But if these latter sources failed, your Directors knew that they could, with the utmost reliance, lean upon the public-spirited inhabitants of our own enterprising town (the first projector and chief supporter of the undertaking) for sufficient funds to make up any deficiency.

Looking at these several resources, and the prospects of the work when completed, your Directors felt that they could, with entire confidence, vigorously push it forward to completion. The first step they took with this view, was

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to engage the services of an Engineer, under whose superintendance the work should be accomplished.

It would have been extremely dangerous to the interests of the Company, to permit Contractors to locate the Road, or to construct it under the supervision of any Engineer whose services were not wholly at the disposal of your Directors. Mr. Keefer, who had been employed by the Committee, could not give his undivided attention to it. Your Directors, therefore, having made the necessary enquiries, appointed I. Spaulding, Esq., Chief Engineer of the Company; and they have every reason to believe the utmost confidence may be placed in the ability, zeal and discretion of that gentleman, to carry on the work to a successful issue. This appointment having been made on satisfactory terms, your Directors requested the attention of the Engineer to the offer made to complete the work, referred to in Mr. Keefer's Report.

Mr Spaulding having given such considerations to it as he deemed sufficient, and having personally examined the Road, informed your Directors that, in his opinion, it would be impossible to complete it for a less sum than had been specified in the offer alluded to. It was therefore determined that a communication should be sent to the party who had made the offer, that the Directors were willing at once to close with him, on the terms specified.

This communication resulted in his visiting this place, with a view to take the contract; but upon an inspection of the more specific plans and details of the work, prepared in the meantime by your Engineer, which provided for a more expensive bridge and a better description of Road than had been previously contemplated, the price

asked by the party for its completion was increased so largely, that your Directors did not deem it right to close with him until the work had been submitted to other Contractors, in order that they might be induced to tender for it. Your Directors, therefore, caused the attention of several parties likely to contract, to be invited to the project; and an early period in last month was fixed for the opening of any tenders that might be received.

#### TOWNSHIP VOTE.

In the meantime, an informality having been discovered in the By-laws of the Township of Hamilton, for the subscription of Stock in the Company, it had been deemed advisable by the Township Councillors, that a new one should be passed under the recent Statute for the consolidation of Municipal Loans. This By-law having been in effect, once sanctioned by the inhabitants, it was not supposed by your Directors, that any serious opposition would be offered to it. The unquestionable benefit the work, when completed, will be to the Township, was assumed by your Directors to be a sufficient guarantee that the aid required would most cheerfully be given.

In this expectation, however, your Directors were disappointed. The vote of the Township most interested in the work, was in the negative. This result was generally attributed to the fact, that proper information with reference to the enterprize had not been given to the people in an official or authentic shape. The Board had not been in office a sufficient time to prepare such statistics as they could with propriety vouch for; and they did not deem it right to publish crude and speculative statements, which had not reliable data for their foundation. All the

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information they had it in their power to give, had been imparted to the Councillors of the Township, whom they invited to inspect the Report of Mr. Keefer, and all other documents in their possession throwing any light upon the subject.

The necessity of distributing information in any more precise or authentic form was deemed less urgent, from the fact that in a neighboring Township, for a rival project, a vote for similar aid was passed almost unanimously, without any question, and without any specific information whatever; although the Railway to which the aid was to be given was calculated to be formed quite at the extremity of the Township; and not, as yours is to be, principally through the centre and most populous part.

Your Directors, however, cannot censure the caution which induced the rate-payers to refuse to subscribe stock to a considerable amount for a work, which—however much it might indirectly be beneficial to them—had not been proved by authentic documents to be an investment secure, at least, against loss, if not certain of profitable return.

But whatever justification may be urged for the vote, your Directors could not but deem it as unfortunate, as it was most certainly unexpected. It placed your Directors in a position of the greatest embarrassment.

Tenders for the construction of the work had been made by several contractors of known respectability—all of them, however, demanding a much larger sum than was originally contemplated. Your Directors, therefore, if the Road was to be made, had to provide for increased expenditure, whilst they had every prospect of the finances being considerably less than had been anticipated.

It became, therefore, a most serious question with them, whether they would be justified in closing a contract at all. No half-way project could be entertained for one moment. Every consideration urged upon your Directors the propriety of contracting at once for the entire completion of the Road to Peterborough or of abandoning it altogether.

If the question, Is a Railroad from Cobourg to Peterborough imperatively required? admitted of any doubt—if your Directors, after mature reflection, had not been most sanguine that when completed it would pay a fair dividend upon all the money it would cost—if the interests involved were not of great magnitude—and if, in fact, to this section of country, the question were not absolutely vital—your directors would, in all probability, have abandoned the scheme, as soon as they ascertained that the Township most to be benefitted by it, had refused any assistance. But implicit confidence in the project, founded upon information derived from the best sources, and the belief that similar information given in an authentic shape would induce the same confidence in others, inspired your Directors with the reasonable hope that the surrounding country, which is to reap so much advantage from it, would not, if necessary again to appeal to it, permit this promising enterprise to languish for the want of that aid which can be given with a perfect assurance of no ultimate loss.—Great, then, as the responsibility might be of closing a contract for the work in this perplexed state of your monetary affairs, caused by the unfortunate vote of the Township, your Directors felt that they would have been unworthy the confidence you had reposed in them, if they

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shrank from assuming it, when to do so would have been entirely fatal to a project so long cherished, and so warmly supported by its friends, and promising in its results the most ample remuneration. They determined, therefore, if possible, to proceed with the work.

### CONTRACT.

The most favorable Tender was that of Messrs. Zimmerman & Co. These parties proposed to put the Road in complete running order through the entire distance, to build the necessary depots, watering-places and sheds, and to furnish a full equipment of Cars and Locomotives, for the sum of £151,000, payable £100,000 in Cash or Debentures, under the Consolidated Loan Fund Act, and the remainder in Bonds of the Company. A more eligible offer under no circumstances could have been expected. Your Directors, therefore, having frankly communicated the state of their finances to those gentlemen, who gave every encouragement to the feasibility of the undertaking, and evinced their faith in its success, by an immediate subscription of £1,000 stock, closed the contract by a formal written acceptance of the tender.

Provision in the contract is made for any deviation in the route that may be deemed necessary.

A sum per mile is stated; and the quantities of earth to be removed are assumed at a maximum as given by the Engineer. Should the distance be longer, or the quantities be more, an increased sum, in proportion, has to be paid; if less, a less sum.

Provisions of this description have to be made in every similar contract; for the line of a Road, even after the

the most careful location, may from circumstances, require to be changed, and this presents no difficulty when the contract is based upon given quantities and distances.— The price of iron has also been stated at a fixed sum per ton, and the Company will have to pay less or more according to the actual cost. The first portions of the work to be performed are the principal cuttings through the entire line, and the Bridge at the Rice Lake. The funds already subscribed will be amply sufficient for this purpose; and during its progress, your Directors will, no doubt, make provision for such further finances as may be required. The inhabitants of Cobourg, whose sagacity has always foreseen the advantages of being foremost in the march of public improvement, have already foreshadowed the plan by which the undertaking you have engaged in may be relieved of all real difficulty.

In having resolved to give every aid that may be required to insure the completion of the Road, they have wisely pointed out the best means of insuring a work which will yield them ample return, not only in direct revenue, but in raising their town to a prominent place amongst the chief cities of the Province.

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## PROSPECTUS OF REVENUE.

*Estimate of Return from Peterborough, and the country to the North and West of Peterborough.*

25,450,000 feet Sawed Lumber, at 5s.	£6,612	10	0
5,000 Bunches Shingles, 1s. per 1,000	250	0	0
Produce of 14 Run of Stones, now in operation, say 25,000 bbls. 7½d.	780	5	0
(Present cost of above 1s.)			
Wheat, say 50,000 bushels, at 2d.	416	13	4
(Present cost of transport 4d. to 5d.)			
Salt, say 1,000 bbls, at 1s.	50	0	9
(Present cost of transport, 1s 6d to 1s 8d)			
Plaster, say 1,000, at 1s.	50	0	0
(Present cost of transport, 1s 6d to 1s 8d)			
Butter, say 1,500, at 5d.	31	5	0
(Present cost of transport, 7½d.)			
Merchandise, 1,000 tons, at 10s.	500	0	0
Passengers, 30 per day, each way, making 18,000 per year, at 3s. 9d.	3375	0	0
Mail, - - - - -	125	0	0
Potash 200 bbls., at 1s. 6d.	15	0	0
(Present cost of transport, 2s. 6d.)			
Pork and Whiskey, 500 bbls., at 1s.	25	0	0
(Present cost of transport, 1s. 6d.)			
Wool, Coal, Peas, Oats, Barley Cattle, Hogs and other unmentioned articles	750	0	0
	12,980	13	4

*Estimate of return from Keene, and the neighboring country.*

2,000,000 feet of Sawed Lumber, at 5s.	500	0	0
Flour, 12,000 bbls., at 6d.	300	0	0
Wheat, 20,000 bushels at 2d.	166	13	4
Butter, 500 kegs, 5d.	10	8	4
Salt, 500 bbls., at 1s.	25	0	0
Merchandise, 200 tons, at 10s.	100	0	0
Plaster, 1,000 barrels, at 1s.	20	0	0
Passengers, 15 per day, each way, making 9,000 per year, at 3s. 9d.	1,687	10	0
Potash, 100 bbls., at 1s. 6d.	7	10	0
Unenumerated articles - - - - -	250	0	0
	3,097	1	8

From Heeley's Falls, Crook's Rapids, Norwood, Westwood, and the whole borders of Rice Lake. Of this portion of country, no exact estimate can be made; but the business must be very

considerable, as the produce of six or eight mills from this section must come over the Road, and may safely be estimated at - - - - 2,500 0 0

(The above is believed to be a very moderate estimate; as 10,000,000 feet of lumber alone would make the amount.)

*From Hamilton, including Gore's Landing, and Baltimore, and way business for 20 miles.*

Lumber, principally from Gore's Landing, say 5,000,000 feet, at 5s.	-	1,250	0	0
Flour, 12,000 bbls. at 3d.	-	150	0	0
15 way Passengers, each way, per day, making 9,000 per year, at 1s. 3d.		106	10	0
Unenumerated articles	-	300	0	0
				£20,384 5 0

The above table, except in the article of Lumber, is founded upon the prospect of revenue resulting from the business of the country in its present state. We may, with great safety, estimate the increase in the other items at one-third more, soon after your Road shall be in full operation. Taking this rate of increase as correct, the statement, as to revenue, would stand thus:—

As above stated	-	£20,384	5	0
One-third increase on all items, excepting on Lumber, which items amount to rather more than £12,000	4000	0	0	24384 5 0

The expenses of conducting the Road, including repairs, are estimated by your Engineer at 40 per cent on the returns. 40 per cent. on say £25,000 would be	-	-	-	-	10,000	0	0
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This would leave a nett Revenue to the Road of	-	-	-	-	£14,884	5	0
Which would permit a Dividend of more than 8 per cent. on £175,000.							

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In laying before the Stockholders this statement, your Directors are enabled to give every assurance that it has been compiled with no view to exaggerate the prospects of your enterprize. It is well known that tables of this description cannot furnish anything more than approximate results. The greatest pains have, however, been taken by your Directors, to obtain authentic data ; and they have to express their thanks to several gentlemen of great mercantile experience who are best acquainted with the trade of the different localities, for information which has been most useful. If the highly advantageous results, apparent upon this statement, should induce any person to doubt its accuracy, those doubts, your Directors believe, may be entirely removed, if he will only obtain for himself the information by which alone its accuracy can be fairly tested. It is a fact highly favorable to your project, that for a great portion of revenue the Road will be dependent upon the trade of a large tract of country, which no competing line of Road can ever deprive you of.

The principal item, Lumber, is founded upon a careful estimate of the produce of mills in actual operation, or in the course of construction, computing only the produce for exportation. The produce of several mills, under way but not completed, has been omitted altogether.

The supply of the best Pine Lumber, inexhaustible for many years, in the region of country made accessible by your Road, and the increased demand for that article in the American Market, give every assurance of this important branch of revenue being greatly increased as soon as a constant and cheap means of transport is secured.

To assert that in two or three years from this period 50,000,000 feet of pine lumber will pass over your Road,

is by no means a mere speculative statement. The opinion of the best informed and most experienced persons justifies it. This article alone, may safely be relied on for producing a revenue which will pay all the current expences of your Railway, and leave an additional surplus, as a dividend upon the Stock.

A prospective increase in the other items may also be counted upon. The whole freight of the Steamboats and other vessels navigating the Otonabee and Keene Rivers, and the Rice Lake, will, during the season of navigation, flow to your Road, at the Rice Lake Depot; and the entire produce of the shores washed by those waters will contribute to swell up your revenue.

All these sources of profit follow on the completion of your Road, *with certainty*. And if it were permitted to indulge in views of prospective advantage, arising from the opening of the rich and productive country lying to the North and West of Peterborough, by means of a Railway to Georgian Bay—a project, for which a charter has been obtained, and which is now promoted by many persons of influence—your Road may be set down at once, as likely to be one of the most productive, in point of revenue, on this continent.

Looking, then, at the interests involved, the country to be opened, the facilities of construction, the cost to be incurred, the returns which the most sober reason may with certainty reckon on, and all its prospective advantages, your Directors believe that seldom indeed has there been a project of similar magnitude that admitted of less question, or more strongly merited vigorous prosecution by the assurance of successful and profitable results.