

REPORT

SUBMITTED

BY THE BOARD OF DIRECTORS

OF THE

**Ontario, Simcoe and Huron Railroad
Union Company,**

TO THE

ANNUAL MEETING OF THE PROPRIETORS,

HELD AT

The Company's Offices,

ON

MONDAY, 17TH JULY, 1854.



TORONTO:

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1854.

REPORT.

On retiring from office, the Directors of the Ontario, Simcoe and Huron Railway beg leave to submit the following Report of the operations of the Company, during the year now terminated.

The Directors assumed the main line between Toronto and Barrie, in divisions, at dates respectively set forth in the accompanying Report of the Chief Engineer; the whole of which (63½ miles,) has been in operation since the 11th October, 1853.

Anxious to secure the fall trade of last year, it was considered most conducive to the Company's interests to open as full a length of line as possible without delay, and accordingly the portion now in operation was received from the Contractors unballasted, all other services having been completed. The Ballasting, however, is now nearly perfected, and will probably be finished before the remainder of the line is ready for traffic.

The Northern Division (31½ miles,) is closely approaching completion; and the Chief Engineer reports that it will be entirely finished and ballasted throughout for service on or about the 1st September next.

The equipment of the Road in Locomotive power and

Rolling Stock, has been provided, from time to time, in accordance with the requirements of the lengths in operation ; and it is now complete (with very unimportant exceptions of contracts still open,) to the standard required by the Railway Commissioners for the whole Road, comprising a Stock fully sufficient for a large and remunerative traffic.

Finding that it was desirable and necessary that the Company should control the navigation of Lake Simcoe, with a view to affording its trade every facility in connection with the Road, the Directors purchased the Steamer "Morning," and the Wharves, at Orillia and Bradford ; and have constructed a short branch from the Lefroy Station to Bell-Ewart, on the main Shore of the Lake.

By this course the Company has secured all the advantages to be obtained by efficient and regular communication with all parts of the Lake, and the growing importance of its trade has already justified the Directors in constructing a new Steamer, which will be launched early next month, and on completion, will, it is believed, largely augment the revenues of the Company by releasing the Steamer now in use for passenger traffic, for purposes of freight and towage.

The Directors refer with satisfaction to the extreme regularity and safety which have hitherto marked the traffic transactions of the Company, not alone as evidence of successful management, but as proof of the substantial construction of the Line, and the general efficiency of the Works and Stock of the Company.

The remainder of the Road, to be opened in September, will, it is confidently believed, be equally favorable to the character of the Line, and ensure for the through traffic the highest rates of speed, the fullest security, and a minimum cost in maintenance.

The Directors regret that the prosecution of the Works at the Queen's Wharf Depot, should have been so long delayed by circumstances entirely beyond their control. It is of the highest importance that full terminal provision should there be made for the Freight and Forwarding business of the Company, and the Directors confidently trust, that the impediments by which this service has hitherto been embarrassed will speedily be removed, and the Works pushed forward to an early and full completion.

The Railway Commissioners having directed that, previous to the final adoption of a Northern Terminus, a full examination should be made of the Harbours on the Georgian Bay and Lake Huron, the Directors retained the services of Captain Wetherley, who, in conjunction with the Chief Engineer, surveyed the Harbours of Nottawasaga, Collingwood, Owen's Sound, Saugeen, &c., and finally reported their opinion as favorable to Collingwood, as sufficient for all the purposes of the Company; whereupon contracts were concluded for the execution of all the necessary Works, which are now progressing with such rapidity, as to lead to the belief that the Company may be enabled to organize Steamboat connections this season with Mackinaw and Green Bay.

With reference to the trade of the Road, so far as it has yet been opened, the Directors refer, with the highest satisfaction to the Traffic Returns of the Superintendent, which exhibit an amount of revenue such as, in view of its being entirely due to way business, gives most gratifying assurance of the remunerative character of the enterprise. The weekly receipts of the Line between Toronto and Barrie, exhibit a result superior to the published returns of the Portland Division of the Grand Trunk Railway; exclusive of all carrying services performed by the Company on its own behalf.

The Directors refer, with confidence, to those portions of the Report of the Superintendent, exhibiting, on very reliable data and practical estimate, the probable operations of the Road as a through route between the North Western States and the St. Lawrence; and it is gratifying to perceive that the arguments adopted by the Chief Engineer, in early support of the Line as a remunerative investment, and by which the operations of the Company have hitherto been guided, now receive such strong confirmation from the Superintendent, who is about to subject them to practical test, under circumstances, too, daily improving by the fuller development of the trade to the westward tending to the route of which the Company's Road will form a most important and necessary link.

To realize the results, however fairly within reach of the Company, a perfect system of Upper Lake connections must be organized, and it is necessary that efforts should be promptly and liberally directed to effect them.

In the establishment of such connections, it is satisfactory to observe that parties interested in the trade of Michigan, Wisconsin, and Minnesota, fully appreciating the importance of this Line, are anxiously desirous of establishing relations with this company calculated to promote mutual interests. The Directors append a Report on the proposed Green Bay and St. Paul's Railroad, exhibiting the views entertained by its promoters in relation to the Northern Railroad.

The running expense and cost of repairs on the Line in operation, will be found to compare favorably with the average of similar charges on the Roads in the United States. These items, it may be anticipated, will hereafter be considerably reduced, when chargeable over the whole Line,

and when, therefore, the permanent organization of the Company's service shall have been completed.

The additions made to the mileage of the Road, as originally contemplated, the necessity of engaging in the navigation of Lake Simcoe, and the unprecedented advance during the past year, in the cost of all items of construction, have resulted in some excess of expenditure beyond the original estimates. In view, however, of the remunerative character of the additional Works undertaken, the expenditure therein will, it is believed, fully justify itself, whilst the Directors are satisfied that as close a concurrence with the estimates has been maintained as was possible, under the abovementioned contingency of prices, to which enterprises of this nature have all alike been subjected.

To the above items of special expenditure are to be added others not chargeable to the practical construction of the Line, as Interest and Discounts on the Financial operations of the Company, legal and general management expenses; which, together, comprise a considerable deficiency still to be provided for.

This deficit would not have occurred, had the anticipations of the Company, in regard to the assistance derivable from the Government Railway Guarantee Fund, been realized.

The Directors, in view of the Act of Parliament passed in that behalf, always confidently relied on receiving, in concurrence with the provisions of that Act, a sum equal to half the total expenditure of the Company in construction. Had the amount so anticipated been received, no deficiency of Capital would have taken place; the Directors, however, have reason to hope that, when this shall have been represented to the proper authorities, the balance still payable on the original estimate of guarantee will be transferred to the

credit of the Company, and thus relieve it from all embarrassment resulting from a reduction in the aid predicated, as receivable from the Government, under the terms of the Act above mentioned.

Appended, the Directors submit the Treasurer's Financial Statement, to which, as also to the annexed Reports of the Chief Engineer and the Superintendent, they refer for detailed information in connection with the respective Departments.

By order of the Board of Directors.

JOS. C. MORRISON,

President.

Toronto, 17th July, 1854.

ONTARIO, SIMCOE, AND HURON R. R.
ENGINEER'S OFFICE,

JULY 14, 1854.

*To the President and Directors of the Ontario, Simcoe, and
Huron R. R.*

GENTLEMEN,—I have the honor to submit the following Report of the progress of the Works on this road during the year terminating 1st of July.

Having in previous reports entered largely into the consideration of the prospects of this work, both in relation to way traffic and as a through route from the North Western States of the American Union, and the mineral regions of Lake Superior to the Atlantic sea-board, I shall now chiefly

confine myself to statements bearing on the construction and cost of the road and its general Engineering features.

The Southern and Central Divisions, comprising the line from Toronto to Barrie, were assumed from the Contractors and opened to the public in the following order :

- 1st. From Toronto to Aurora, 30 miles, 16th May, 1853.
- 2nd. " " Bradford, 41 " 13th June, 1853.
- 3rd. " " Barrie, 63 " 11th Oct, 1853.
- 4th. " " Bell Ewart, $1\frac{1}{2}$ " 3rd May, 1854.

Which length of line ($64\frac{1}{2}$ miles) is now in permanent operation, and is served by the following way stations, viz :

Way Stations.	Miles from Toronto.
* 1. Davenport Road,	5.1
* 2. Weston,	8.0
* 3. York,	11.8
4. Thornhill,	14.5
5. Richmond Hill,	18.5
6. King,	22.8
7. Aurora,	30.1
8. Newmarket,	34.4
9. Holland Landing,	38.1
10. Bradford,	41.7
* 11. Scanlans,	44.6
12. Lefroy,	52.
13. Bell Ewart (on branch),	53.5
* 14. Pratts,	59.5
15. Barrie,	63.2

The above stations (except the subordinate stopping places marked thus*) average five acres of land within permanent fences ; and have been provided with ample and commodious Office, Passenger, and Freight Buildings of substantial character. They are worked with an average length of side track of 1,400 feet at each station ; and the

64½ miles now in operation are served by ten wood and water stations, five supplied free by natural head of water and five by pumping.

With a view to an early initiation of the traffic, this portion of the road was assumed by the Company unballasted, the sum necessary to the completion of that service being deducted from the Contractors. This course of necessity has somewhat increased the cost of track repairing to the Superintendent, but it has undoubtedly resulted most favorably to the traffic account of this season, and by committing the entire control of the road to the Company's Officers, has secured a degree of safety to the public incompatible with the running of independent gravel trains.

The ballasting service has been pushed forward energetically since the opening of the Spring, two-thirds of the entire length being completed with every prospect of the whole being finished before the opening of the Northern Division for through trade.

The Company has been exceedingly fortunate in obtaining ample ballast pits of excellent quality and in convenient positions, so that that part of the cost of maintaining permanent way due to this important item will doubtless be below the average.

In connection with the Lefroy and Bell Ewart stations, it may be proper here to revert to the considerations which induced the construction of the branch line of 1½ miles to the main shore of Lake Simcoe as extra to the original intentions of the Company,

When the main line was first opened to Bradford it became apparent that unless the Company controlled the steam navigation of Lake Simcoe these facilities would not be afforded to the trade which were necessary to secure

it fully to your Route or to promote its prompt development.

Accordingly I recommended the purchase of the steamer "Morning," together with the wharves at Bradford and Orillia, and subsequently with a view to superseding the tortuous and tedious navigation of the Holland River, of lengthening the season of navigation, of giving a still more facile outlet to the Simcoe trade and yet increasing the mileage of road over which it should pass, I submitted the propriety of constructing the Bell Ewart branch.

The right of way and a terminus of five acres was secured free, and the line together with steamboat, Pier, Station and Freight Buildings, have been constructed and are now in full operation.

The Company's steamer is accordingly enabled to make the daily circuit of the Lake and thus to establish a regular connection between Toronto and the country bordering on a shore of nearly 150 miles, the trade of the southern portion of which may now be diverted to your road from its previous course overland to the more easterly parts of Lake Ontario.

The returns of traffic to be made by your Superintendent will doubtless exhibit very satisfactory results due to these improvements; yet, although the trade thus obtained, has already added materially to the revenues of the road, it may still be regarded as altogether in its infancy, awaiting the construction of additional local wharves, and the Company's new steamer to give it due development.

It is unnecessary that I should refer to the construction of that portion of the road already in operation, further than to state that it has been completed in general accordance with the specifications and contracts originally concluded and subsequently amended by the Railway Commissioners,

and that it has proved its sufficiency and excellence by the unexceptionable regularity, safety, and economy of its working.

The construction of the line beyond Barrie to Collingwood is now closely approaching completion. The length of this Division will be $31\frac{1}{2}$ miles; of which 30.8 have been graded, the bridges throughout completed, 18 miles of track laid, $22\frac{1}{2}$ miles ballasted, and the iron and ties for the remainder delivered and distributed.

The Way Station and Terminal Buildings are under contract and in active progress, and the Depot Ground at Collingwood, comprising an area of 34 acres, is cleared and in process of grading.

I may, therefore, confidently rely on the full completion of this Division for service on or before the 1st September, when the whole line from Toronto to Collingwood ($94\frac{1}{2}$ miles) may at once be opened to the public.

The selection of Collingwood Bay for the Northern Terminus of your road was still under consideration at the date of my last annual Report.

Pursuant to the instructions of the Railway Commissioners, further explorations and surveys were subsequently made in relation to that location, by Captain Wetherley and myself.

Nottawasaga River, Collingwood, St. Vincent, Owen's Sound, the Fishing Islands, and Saugeen, were each examined; a reconnaissance of the line of country to be traversed in communication with each point was made, and the Charts, Plans and Reports submitted.

These renewed investigations justified me in adhering to my original selection of Collingwood, and Captain Wetherley confirmed my decision by a report favorable to that harbor.

Local prejudices, and the misconception of parties unacquainted with the position, having now been removed, it is universally conceded by practical men, that the harbor under construction, will afford full facilities for the Western trade, and enable the Company to organize safe and regular Upper Lake connexions.

Under sanction of the Railway Commissioners, contracts have accordingly been concluded for the construction of the necessary works which are now in active progress. A Landing Pier in nine feet water has already been completed in connexion with the shore, and its extension for shelter purposes into deep water is proceeding rapidly.

I confidently anticipate, therefore, that before the close of the season, such sufficient wharfage facilities will be provided and protective works executed, as will enable the Company to initiate a through route to Mackinaw and Green Bay.

The steamer already plying (from Collingwood to Penetanguishene and other ports in the Georgian Bay) in the Company's service finds ample accommodation and full security, and is already tending to centralize the local trade at your terminus. When, therefore, the line shall have been opened throughout its length in September next, and the Harbor works sufficiently advanced, it would, in my opinion, be highly politic to organize—1st. Steam connection with Mackinaw and Green Bay direct, and secondly, with the Saulte St. Marie, Owen's Sound, St. Vincent, and Penetanguishene, for local trade ; for, whilst undoubtedly, the Fall trade might thus, to some extent, be secured to your road, such a course could not fail to result beneficially by tending to a fuller and more immediate development of the route on the opening of the ensuing Spring.

In connection with such a service it is highly satisfac-

tory to know that the Government has already commenced the erection of such Lighthouses as are necessary to the safe navigation of the Georgian Bay and its northern and southern channels to Lake Huron.

Six are now under contract, namely, three in the north channel, one in the south on Cove Island, one on Christian Island, and one on Nottawasaga Island, in close proximity to Collingwood Harbor. These will be partially executed during the present season, and in connection with the Company's Harbor-lights, will afford the fullest provision in this particular.

At the Toronto Terminus, the Lower Depot at the Queen's Wharf has been so far graded and filled as to afford good temporary station ground, with three lines of Sidings comprising a length of 5552 feet.

An ample Pier has been constructed to water line and a large proportion of cribbing framed and prepared for sinking in the formation of permanent water frontage. The contracts for these works were, however, necessarily suspended in consequence of the intentions of other Railway Companies entering the City from the westward not being clearly defined, and because also, no positive arrangements had been concluded as to the position and manner in which the City Esplanade works were to be executed.

Under such circumstances, it would have been premature to proceed further with the construction of your Wharfage and Depot, the more especially as I am instructed that the position commonly assigned to the Esplanade would be altogether valueless as freighting frontage, by reason of insufficient depth of water, in which event it would be necessary to project the breastworks of your Depot far beyond those intended for the general use of the City. Application has been made for copies of the plans under which

the Esplanade is in course of construction, and so soon as they have been received, I shall submit to you the propriety of immediately authorizing the completion of these Depot works, so essentially requisite to the efficient and profitable transactions of the Company's forwarding business.

These difficulties have not interfered with such works as were understood to be northward of the proposed line of Esplanade, and a permanent machine shop and engine house, with car shed, blacksmith's shop, &c., have been erected, and will, I trust, afford ample accommodation, of the class, for the business of the Company.

In anticipation of the opening of the whole road this season, measures had been taken for completing its equipment to the standard required by the Railway Commissioners, and the following Schedule of Locomotive and general Rolling Stock delivered or under contract, exhibits a provision, in this particular, above the average, and suited to the estimated traffic of the road in operation for through business.

10	Locomotive Engines.....	Delivered.
5	do. do.	Under Contract.
14	First Class Passenger Cars	Delivered.
4	do. do.	Under Contract.
8	Baggage and Post Office	Delivered.
75	Box Freight Cars.....	do.
115	Platform do.	do.
40	Gravel	do.
12	Hand do.....	do.
2	Snow Ploughs	do.

The Engines are all of the first class, manufactured respectively at the New Jersey Works, by Good of Toronto, and Fairbairne of Manchester, and the Rolling Stock has been built under contract, at Toronto, by Messrs. McLean and Wright, similar in every respect (except the substitu-

tion of steel for rubber springs,) and after the same specifications as those supplied to the Portland Division of the Grand Trunk Railroad.

Machinery of very perfect and ample character has been imported from England and erected in the machine shop, at the Queen's Wharf depot, for the repairing service of the road, and the provisions, in this particular, have been sufficiently extended to justify the anticipation that the Company may hereafter economically engage in the manufacture of its own Engines.

The total expenditure to 1st July on the foregoing services, by this department, has been :—

	£	s.	d.
1st. Under original contract with Messrs. M. C. Story & Co., for Construction of Line	579175	5	0
2d. Under Supplementary Contract—			
1. Locomotive Stock.....	33639	19	5
2. General Rolling Stock.....	51661	10	8
3. Way Station Service	9179	19	6
4. Terminal Depot Service	5945	16	4
5. Harbor Service	18229	17	4
6. Steamboat Service.....	4753	13	0
	702586	1	3

So far as is connected with the construction of the main line, under the original contract, the estimates have not been exceeded on the mileage cost, although, by the extension of the length due to the Bell Ewart branch, an additional expenditure has necessarily occurred. On the services, however, comprised under supplementary contract a larger excess has arisen; all the works of this class, as Station Buildings, Wharves, Tools, Locomotive Power, and

Rolling Stock being subject to the current prices of labor and materials, which have risen very materially during the past year. To this contingency is also to be added the expenditure due to the purchase of the steamer "Morning," and of the Wharves at Bradford and Orillia, the construction of the Pier and Station Buildings, at Bell Ewart, the increase in the number of Way Stations, and in the length of Sidings necessary to supply the local trade and the cost in construction of the new Steamer for Lake Simcoe. All these services and contingencies may be taken as representing an excess of £40,000 on the full Engineering service of the completed road, comprising the additional and remunerative extension of the Line.

Upon the whole, therefore, it will be found that this Road when completed and in operation, will contrast most favorably with all other Canadian Lines in regard to expenditure of Capital, as it already does in relation to the amount of way traffic, in which alone it has, as yet, been practically tested.

With regard to the traffic branch of the transactions of the Company, however, it is not now, as formerly, my duty to report, all matters relating thereto being on completion of the Road transferred, for practical operation, to the Superintendent's Department. I may, however, be permitted to observe, that the anticipations expressed in the earlier Reports submitted for your guidance, would appear to have been fully realized. The local trade, already highly successful, is daily receiving augmentation by the diversion of existing traffic from its long accustomed channels, and by the rapid development of new, yet almost illimitable sources of supply. Indeed it would be difficult to conceive a Line more favorably located than yours, with reference to the attraction of local business; for, as I have before observed, it not only itself lies through thickly set-

led, yet but partially cultivated Districts, but offers by its connection with Lake Simcoe an outlet to a tract of country, the trade of which is equivalent to that of an extended length of 50 miles.

With reference to the "through" route, although its importance and value will so soon cease to be speculative, it may not be inopportune for me to revert briefly to the considerations which weighed with its early promoters, whose views are daily receiving confirmation, and will doubtless be practically realized, when the Road shall have been put into operation.

It has always been urged that the trade of the North Western Territory of the United States, as well as that of the mineral regions of Lake Superior, would find a cheaper, more facile, and rapid outlet to the Atlantic, by your Road, than by any other possible line of transit. Nothing has yet occurred, or is likely to present itself, to weaken this position. Of all the enterprizes constructed or contemplated, whether we regard the Great Western Railroad with its Terminus at Windsor, the Grand Trunk Line, with its depots at Sarnia or Goderich, or your more remote rivals on the southern shores of the Lakes, none can enter so successfully into competition with this route as to divert from it trade, naturally its own, of Northern Michigan, Wisconsin, Iowa and Minnesota, for whilst your northern terminus is nearer to the Straits of Mackinaw, and therefore to Milwaukee and Chicago, by water communication, than are the Huron Termini of either the Great Western or the Grand Trunk Railways, your Road is very considerably shorter than either. In both water and rail transit, therefore, your route will offer the unquestionable advantages of the delivery of freight from the West, on Lake Ontario, and thence eastward to the Atlantic, at charges much lower, and at great-

ly accelerated speed, than can by possibility obtain on either of the other routes.

This must be apparent to the commonest understanding, on a comparison of the distances and time due to the operation of each respectively, and it has already received practical confirmation by the very decided and unhesitating preference given to it by parties officially interested in the navigation of the Fox River, from Green Bay to the Upper Mississippi, and in the construction of the Green Bay and Minnesota Railroad, between the City of Green Bay and St. Paul's, on that River, who desire to effect such connections with your Route as will improve their position in relation to the sea-board, and promote the value of the enterprises in which they are engaged, by the establishment of a complete line of communication between the Upper Mississippi and the Atlantic.

The opinions by which these parties are induced to seek your co-operation, founded as they are on practical acquaintance with the Northwestern trade and its requirements, give strong and reliable confirmation to the views so frequently expressed and supported in detail by my predecessor and myself, in our earlier Reports, and should further serve to assure the Proprietors of this Road, that by the energetic establishment of a complete line of Steam connections, and by the adoption of judicious tariffs, an early diversion may be secured to it of a large proportion of the trade and travel hitherto directed through Chicago, Detroit, and Buffalo; nor, if economy in time and expense of transit be any attraction to the Forwarders of Freight, may it be reasonably feared that such trade can hereafter be withdrawn in favor of other Railways, more costly in construction, of greater length, and in more remote positions from its source.

Moreover, it is not to be forgotten that your Road posses-

ses peculiar advantages in being free to engage in unlimited connections with the shipping interests of Lake Ontario and the St. Lawrence, which, when effect shall have been given to the Reciprocity Treaty with the United States, and the navigation of those waters thrown open to the American Union, will tend to develop the full advantages of your Route, and to establish the City of Toronto as the shipping Port for the Western trade, directed towards the Atlantic.

With such connections no competition need be feared, and your Line, occupying on this Peninsula the best and indeed the only position indicated by nature as a Portage, may become the highway between the east and west, uniting the magnificent navigable waters by a link of the shortest practicable span.

Such, in brief, has been the theory upon which all your operations have been based, and which now that your Road is closely approaching completion, you are about to test by practical application.

I have discovered nothing hitherto to weaken my reliance on its correctness. On the contrary, I am convinced that the reasoning adopted at the initiation of your work will be fully justified by the result.

I have the honor to be,

Gentlemen,

Your obedient Servant,

FREDK. CUMBERLAND,

Chief Engineer.

To the President and Directors of the Ontario, Simcoe and Huron Railroad.

GENTLEMEN,—I have the honour to submit herewith a General Statement of the Traffic Transactions, during the year commencing with the opening of your Road to the public for Traffic, and ending on the 30th June, ulto., being the end of your fiscal year.

In submitting this Statement, I purpose to offer some remarks on the development of the Local Traffic as therein exhibited, and further to bring under your consideration the probable amount of *through* Traffic which may be served by the line of travel, of which your road forms a most important link, in order that the requisite steps may be taken for securing it, and for affording the necessary facilities to enable you to transact it with profit to the Company, and with satisfaction to the travelling public and to the owners of freight.

On reviewing the traffic of your road for the past year, it will be found to present a most gratifying result, and to have exceeded the most sanguine expectations that were formed of it. *Without any through travel*, and without shewing any fictitious earnings from freight carried for purposes of construction, the receipts have gradually increased, until they now equal the published *earnings*, per mile, of the Montreal and Portland section of the Grand Trunk Railway, which has all the advantages accruing from a through traffic between the Atlantic sea-board and the largest commercial depot in Canada, while its receipts are materially enhanced by the conveyance of a very large amount of freight and passengers for the construction of other sections of the Road, and further, (as I am informed) by charges for the conveyance of material used in the construction and repair of the section over which it is carried. I mention

this, not as questioning the principle, but in order to point out the fact, that had the same course been adopted on your line, its earnings would have very greatly exceeded the earnings of the road with which I have compared it.

Not only are we to bear in mind that your road has received no support from through trade, but it must also be remembered that, of the 63 miles opened, 22 are through a section of country very thinly settled, though the lands are of a very superior quality, and the trade of which will consequently be very rapidly augmented.

Comparing the monthly earnings, per mile, of Road, operated during the only months which admit comparison, namely, for June, 1853, and 1854, we find an increase of *earnings per mile*, during the latter month, of 108 per cent. over the former month.

Bearing in mind that, *as yet*, your traffic account has not been benefitted by any of the new lumbering establishments, of which there will be as many go into operation this fall as will send over your Road, during the ensuing season, at least thirty millions of lumber, besides several others projected; and taking into account the rapid settlement of the lands contiguous to the northern part of your road, and the increased breadth of lands held by former settlers, now being brought under cultivation, together with the more complete development of the trade of Lake Simcoe, which the improvements now making, with a view to its accommodation, will effect, I shall not exaggerate by assuming that the earnings, per mile, from local traffic, for 1854 and '5, will shew an increase over those for 1853 and '4, of 50 per cent. Should this prediction be verified, your revenue from this source will amount to £56,000 Currency, for the ensuing year, supposing the whole length of road to be open only during one half of that period.

This development of the local trade is the more satisfac-

tory, inasmuch as it yields a sure revenue, which cannot be affected by the opening of other lines of travel.

The amount of through traffic which may be obtained for your line, during the same period, will chiefly depend on the exertions made to secure it; and though the cost of those exertions may fully equal the earnings that will result from them, prior to July, 1855, and will not, therefore, add materially to your net revenue, during the ensuing year, yet it is imperative that the necessary measures be taken at some period, before a result can be realized from them. I cannot, therefore, sufficiently urge upon you, the necessity of at once initiating such action, either by chartering Steamers, or otherwise arranging with the owners as to secure the formation of a sufficient line from your northern terminus to Lake Michigan as may be most advisable for securing the benefits of that through trade which is within your grasp.

The direct lines of railway, from the head of Lake Erie across the peninsula of Michigan, have in a great measure withdrawn attention from your road, as in connection with the trade of the Western States; and it is usually assumed that, if the business of northern Wisconsin, Minnesota, and the country bordering on Lake Superior, should be served by your Road, the more densely settled of the Western States, laying around the southern shores of Lake Michigan, would inevitably find their intercourse with the Atlantic sea-board more conveniently served by the more southern routes of travel.

Except with that portion of the travelling public who are compelled by the urgency of their business, to sacrifice comfort and convenience, for the purpose of saving a few hours, such will not be the case. On the contrary, I am warranted by the evidence of the past, and by the opinions of the most experienced, in arriving at the conclusion, that

both freight and passenger traffic, to an extent only limited by the capabilities of your Road to transact it, can be commanded with Southern Wisconsin, Iowa, and a large portion of Illinois, by the superior facilities offered by your road, whilst Northern Wisconsin, Michigan, Minnesota, and the rich mineral regions of Lake Superior, can in no way seek the Atlantic through so convenient, *cheap*, and expeditious a channel.

Notwithstanding the severe competition which exists between the various parallel lines of Railroads terminating at the Atlantic Cities of the United States, it is shewn by statistics, of the clearest and most satisfactory nature, given by W. J. McAlpine, Esq., in his Report on the Canals of the State of New York, for 1853,* that, in the conveyance of freight, Railways cannot compete with water carriage, on the limited scale afforded by the Erie Canal; how much less, then, can they compete with our magnificent Lake Navigation?—and herein lies the strength of your route as compared with all others, for by connecting the navigation of the Lakes, by spanning the isthmus of Canada, at the narrowest point, your road shortens the aggregate distance between Lake Michigan and the Atlantic Cities some 300 miles, avoids the tedious navigation of the St. Clair Flats, over which large vessels are usually lighted, and saves the Tolls expenses and delays incident to the Welland Canal, by the introduction of but 93 miles of Railway.

It results from this that, as compared with the usual course of trade by the Lakes, the route over your Road, from *New York* to *Chicago*, will effect a saving of three days in time; and, reckoning the cost by the rates given in Mr. McAlpine's Report, above alluded to,* and adding thereto the Welland Canal Tolls, an average tariff of \$2,32 per ton can be charged over your Road, still leaving a mar-

* See Appendix B.

gin of 18 cents per ton to meet the costs of transshipment, being at the rate of 25 mills per ton per mile, exclusive of the cost of loading and unloading—an advantage abundantly sufficient to secure a large and profitable traffic.

It is shewn by the annexed Appendix (A) that when compared with any other route, the advantages possessed by your road are greatly increased. Thus, as compared with the route via Buffalo and the Erie Canal, an equal saving in time, as above mentioned, is effected, and after charging the above named rates over your road, an advantage of 50 cents per ton will accrue to the owners of the freight. Again, as compared with the route formed by the Grand Trunk Railway, westward from this City, (should that line ever be completed to the frontiers of Lake Huron, and continued to Lake Michigan, as projected,) your Road will hold a still more advantageous position; for, taking Toronto as the starting point, we find that to deliver a ton of goods at Chicago, via the Grand Trunk, will cost \$10.37, and will require ~~34~~ hours besides, involving two additional transshipments; while, to perform the same service, over your route, will cost but \$5.29, and will require only ~~8~~ hours, a difference in time which will not withdraw one ton of goods from your Road, while the greater cost which must be levied by the Grand Trunk will operate as an insuperable bar to the transit of any but local freight over that line. On the other hand, should the extension of the Grand Trunk not be continued across the State of Michigan, comparison with your line is out of the question, inasmuch as goods carried by that Company will have to traverse 176 miles of Railway, in order to reach a point on the western waters more distant from the Straits of Mackinaw, and consequently from the chief centre of the western trade, than your northern terminus, which is reached by only 93 miles of Railway.

In the absence of a careful comparison, it might be assumed that the saving of time effected by crossing the Peninsula of Michigan, would make an important consideration, and that that route would be preferred for light goods, such as are chiefly forwarded by Railway. An inspection of the Appendix (A), however, will shew the saving to be very trifling in point of time, while it will be made at a cost of \$3 per ton; and it thus becomes evident that the whole trade between the Atlantic Cities and the western and southern shores of Lake Michigan, can find its transit, over your Road, *cheaper, quicker*, and in better order than by any other route; and, consequently, those States whose trade centres on Lake Michigan, cannot fail to supply you with a profitable business.

The unprecedentedly rapid settlement of the territory of Minnesota and of the northern portion of Wisconsin, will also greatly increase your revenue by a business which cannot be wrested from you by any other line of travel. The Fox and Wisconsin Rivers Navigation Improvements, alluded to in the early Reports of your Chief Engineer, are now nearly completed for steamers of the same tonnage as are navigating the Upper Mississippi, and connecting that river with the waters of Lake Michigan at Green Bay, must send a rich stream of traffic towards your Northern Terminus, and this again, at no distant day, will be infinitely increased by the construction of a Railroad already chartered, from Green Bay to St. Paul the capital of Minnesota, the importance of which, to your road and to this City, cannot be overestimated. Tending, as it will, to enable Toronto to become the great emporium of the commerce of the North Western States, and your road the chief avenue for its transit. (See Appendix C).

The Sault Ste. Marie Canal is now so far advanced as to render certain its completion by the ensuing season, and

will give your Road a monopoly of the important trade between Lake Superior with its rich mineral products, and the manufacturing states of the eastern seaboard.

Nor is your road less favorably situated as regards a Passenger business. Your Northern Terminus on Lake Huron will, on completion of your line, be reached in 22 hours from New York, and in 28 hours from Boston. From your terminus the traveller can be conveyed to Milwaukee in 34 hours, through a navigation of which 200 miles is as safely sheltered as the Hudson or St. Lawrence Rivers, and through which the scenery is infinitely superior to either; thus, Milwaukee can be reached in 56 hours, by a route so agreeably diversified by changes from steamboat to railroad as to afford every desirable rest and refreshment.

Comparing this with the shortest possible route between the same points, we find that the same journey can be performed by a continuous line of express railway travel, on which no rest or change is afforded, except from one set of cars to another, and by crossing the bridge and ferry at the Niagara and Detroit frontiers, in 46 hours, thus saving, at the expense of all comfort, rest, and convenience, 10 hours; for which, however, the traveller must pay not less than six dollars in money, and at least one day to recruit himself for business. Nor will the traveller for Chicago fail to discover the greater convenience of your road, for, by the loss of only 16 hours in a journey of one thousand miles, which will be spent in the enjoyment of necessary repose, he can reach his destination fresh and ready for business at a less expense than by the shortest railway route, and if necessary, ready to proceed at once on his further journey into the interior, over any of the numerous railways diverging from Chicago.

If we apply our comparison to any point north of Milwaukee, the advantages presented by your road are increas-

ed, both as affording a saving of time, distance and cost—so much as to place it beyond fear of competition from any other line.

But there is a class of passengers,—a class which is rapidly increasing, with whom the saving of a few hours is of no consideration as compared with convenience,—I refer to those from the Southern States, who, concentrating on Chicago, take the straits of Mackinaw, the Sault Ste. Marie, Niagara Falls, and the St. Lawrence, as the chief points in their route ; to these no greater inducement could be offered than the avoidance of the tedious navigation of Lake Huron and the St. Clair Flats, and the dangers of Lake Erie ; but when, in place of these you substitute the beautiful scenery presented by the Manitoulin Islands, and the “Million” Islands of the Georgian Bay, together with a shorter and cheaper journey, you offer such advantages as cannot fail to induce them to seek your route in preference to all others.

Nor should we, in estimating your future passenger traffic, fail to take into account the immense tide of emigration now setting from the Northern Countries of Europe towards Northern Wisconsin, Minnesota and Lake Superior, to which you can offer the *cheapest*, *shortest*, and *quickest* route, and by which, on the completion of the railway from Green Bay to St. Paul, the latter place may be reached in 60 hours from New York, while by any other line, even by express trains, no less than 106 hours will be required. To emigrants who are usually crowded together in cars deprived of every comfort, and frequently of ventilation, this abridgment of the length of their railway travel, as well as of the time and expense required for the journey, will be of incalculable value.

Thus, as compared with other lines of travel—to the man

of business you offer a route over which he can travel even so far south on Lake Michigan as Chicago, more cheaply and conveniently. To people of leisure you offer more attractions and greater comfort in their enjoyment, with a reduced expenditure—and to the emigrant, you offer (what is to them) a most important reduction in cost, a shorter distance, and a much speedier arrival at their destination.

There is another advantage which your route possesses, and which will contribute very materially towards its success, both as affecting the freight and passenger traffic.—You offer no rivalry to the steamboat or shipping interests on any of the Lakes; on the contrary, by shortening the length of the navigation, avoiding its most objectionable features, and thereby reducing its cost, and making it more desirable, you actually contribute towards increasing the amount of business that will be carried on upon the Lakes, while by avoiding the St. Clair and the Welland Canal, you enable vessels to carry their full complement of cargo without having to incur the expense of lighting, and offer a premium for the construction of vessels of greater tonnage, by which the freight can be more cheaply carried;—and I apprehend that the time is not distant when propellers of 2000 tons burthen will be found plying regularly between your Northern Terminus and the various Ports on Lakes Michigan and Superior.

Basing my opinions on the facts I have thus endeavoured to present for your consideration, I have estimated that by a judicious management, a through traffic may be obtained for your road which will yield a gross revenue of not less than £80,000, making, with the local traffic before estimated, £136,000 per annum. Nor will this amount appear as an exaggerated estimate when you consider that your road is at present earning *fifteen pounds cy. per mile per week*,

from a local traffic alone ;—and I therefore believe we are justified in estimating ; that with the addition of a through traffic to be derived from such sources as I have indicated, together with the increase in local trade, which will undoubtedly take place ; the earnings of your line may be advanced to £27 15s. per mile per week, which will yield the annual revenue I have estimated.

In examining the expenses of working your Line during the past year, with a view to estimating future cost, it is desirable that you should bear in mind that the service of your road has been maintained under manifest disadvantages. The repairs of your Rolling Stock have been done without the service of a machine shop, or of a single piece of machinery of any description ; consequently, by having repairs,—especially of Locomotives,—performed at private shops, distant from the line, not only has the cost been materially enhanced but serious delays have frequently occurred ;—while some classes of repairs, from the great difficulty of having them done away from the line, have been neglected, whereby more serious damages have resulted. The same observations will apply to car repairs.

Notwithstanding these disadvantages which will be speedily obviated by the machinery now being erected, our expenses under these heads will compare favorably with similar disbursements on many roads in the United States, which possess the appliances in which your road has hitherto been deficient.

Again, in the maintenance of Permanent Way the cost has been seriously augmented beyond what we may expect to be an average in future years, by the almost entire absence of ballasting during the Fall and Spring ; notwithstanding which, the cost during the year has been

but £83 15s. per mile, whereas the average cost per mile per annum of the Roads of the State of New York, as reported for 1852, when labor was at least 25 per cent cheaper than at present, was £104. The completion of the ballasting which I believe will be effected this Fall, will doubtless effect a very considerable reduction in this service during the ensuing year.

In other items of expenditure the absence of many requisites, especially in the depot and station service during the greater portion of the year, has materially enhanced the cost of the service performed.

As the ballasting becomes completed—as the machinery requisite for the repairs of the rolling stock is supplied,—and as the necessary provision of depot and station service is made; the expenditure under all the heads stated in the Report as compared with the mileage of your stock will be very materially reduced, while the increase in the amount of traffic by enabling you to run fuller trains, will reduce your expenses as compared with your receipts below the average of American Roads, a majority of which are less favourably situated in the course of travel,—a result which will be materially assisted by the favourable character of the 31½ miles of your line, north of Barrie, still to be opened, which is constructed through material of the very best quality, is free from heavy grades, and has but a slight amount of curvature.

Estimating, then, that the expenses of working your line when completed and fully equipped for through traffic, can be reduced to fifty per cent. of the gross earnings, and assuming the gross revenue as previously estimated at £136,000 Currency, you will have a net revenue of £68,000—being equal to 8 per cent. on the entire cost of the Road, with its wharves and depots and the Collingwood harbour

included—or after paying interest at 6 per cent. on your entire debt, it will pay a dividend of 14 per cent. on the stock issued.

No inconsiderable amount of traffic is brought to your Road from Lake Simcoe by your steamer plying on those waters, and this has been obtained without making the boat a charge on the revenue of the Road—on the contrary, her trade, independent of Railroad charges, has yielded a fair return on the outlay, and when the new and more commodious boat which will be launched early in the ensuing month is completed, and the present one can be used for towing saw-logs, timber, and carrying freight, for all which services there is every prospect of a large and increasing demand, the business of Lake Simcoe ;—which is, in fact, as predicted by the late Mr. Seymour, equal to a branch road of fifty miles—will contribute still more largely towards your revenue.

Before closing this Report, I have to state that, while I am fully impressed with the conviction that all the advantages I have predicted are quite within your reach. I am most decidedly of opinion that they can only be secured by the establishment of efficient steamboat connections on the North Western Lakes, and on Lake Ontario, and by the construction of such convenient wharves, warehouses and machinery as will enable you to tranship freight and passengers at a minimum cost, with every possible despatch, and without damage. I have previously urged this on your attention as vital to the success of your Road, and I have discovered no reason for changing the opinion I then expressed, that if satisfactory arrangements cannot be made with steamboat owners for the establishment of first class lines from your Northern Terminus to the principal ports on Lake Michigan to the Sault Ste. Marie, and on the completion of that Canal to the principal points on Lake Superior,

you ought not to hesitate in assuming the service for the Company, and chartering the requisite vessels until the route is firmly established.

This all important point being provided for, you can proceed with confidence to advertise your line through the length and breadth of this Continent; from New Orleans to Lake Superior—and from Lake Superior to Quebec—to Boston—to New York—and to Philadelphia, to make contracts for freight, and in short, to make your road one of the most profitable and popular in America—thereby realizing for Toronto and this Isthmus, (by spanning which with only 93 miles of Railway you will unite in a direct line all the navigable waters of the West with the St. Lawrence, the Atlantic Ocean, and every direct avenue to the great cities of the United States on the seaboard)—the position assigned to it by Mr. Andrews in his Report to the Senate of the United States on the “*Colonial and Lake Trade*.” As “the ‘*Portage*’ or ‘*Stepping Stone*’ between the commercial and manufacturing States on the Atlantic, and “the agricultural and mineral ones of the North West; as “illustrated by the Welland Canal, the Great Western and “the Ontario and Huron Railways.”

I have the honor to be,

Gentlemen,

Your obedient servant,

A. BRUNEL,

Superintendent.

CHARACTERISTICS OF ROAD.

TOTAL LENGTH OF ROAD OPERATED.

	Miles.
Length opened on 15th May, 1853	30
Do. on 13th June. „	12
Do. on 11th Oct. „	21
Total	63

2 Length of Double Track, including Sidings	4.95
3 Length of Branches owned by Company laid	1.5
4 Length of Double Track on ditto .....	.33
5 Weight of Rail per Yard on Main Track	57 lbs.
6 Minimum Radius of Curvature	1432 feet
7 Maximum Grade, going North, per mile	60 „
8 Ditto ditto going South, per mile	52.8
9 Number of Way Stations	8
10 Number of Flag Stations	4
11 Number of Switches pointing on Main Track	42
12 Number of Engine Houses (none permanent) .....	..
13 Number of Machine Shops (one nearly finished) .....	..

14 NUMBER AND CHARACTER OF LOCOMOTIVES.

No. of Locomotives.	Drive. Wheel.		Length of Stroke.	Diameter of Cylinder.	Connections.
	No.	Diam.			
		Feet.	Inches.	Inches.	
1	4	5	29	14	Inside.
2	4	5½	22	13	Outside.
2	6	4½	20	18	Inside.
4	4	5	20	17	Inside.
1	4	6	20	17	Inside.

Total 10

15	Number of Passenger Cars.....	8	Wheels	13
"	Baggage Cars.....	8	"	8
"	Box Freight Cars.....	8	"	75
"	Platform Cars.....	8	"	115
"	Gravel Cars.....	4	"	40
"	Hand Cars.....	4	"	6

TRANSACTIONS OF THE YEAR.

1	Number of Days worked during the year	353
2	Total mileage worked for one day	19,450
3	Miles run by Passenger Trains	68,910
4	Mileage of one Car in Passenger Train :—	
	Passenger.....	210,550
	Baggage	74,912—285,462
5	Miles run by Freight Trains.....	28,038
6	Mileage of one car in Freight Train ;—	
	Box	116,628
	Platform	95,940—212,568
7	Mileage run by Wood Train.....	8,316
8	Mileage of one Car in Wood Train.....	54,144
9	Miles run by Trains worked for construction exclusive of Ballasting	24,348
10	Mileage of one Car for construction	165,016
11	Miles run by Ballast Trains.....	25,885
12	Mileage of one car for Ballasting :—	
	8 Wheel Platform	31,320
	4 Ditto Gravel	104,685—132,005
	(Being equivalent to mileage by an 8 wheel car.. 209,371.)	

MILEAGE OF ENGINES.

Including Mileage in Depots, Switching, &c.

13	Engines for Passenger Trains	72,589	
	Freight	29,669	
	Wood	8,731	
	Construction	26,357	
	Ballasting	27,172	164,518
		d.	cents.
14	Rate of Fare, (average per mile)	1.453	2.421
15	Number of Passengers of all classes carried in cars :—		
	Adults	106,391	
	Children	3,542	
	Free and carried for construction	8,038	
16	Number of miles travelled by passengers of all classes, or number of passengers carried one mile :—		
	Adults	2,875,724	
	Children	94,749	
	Free and carried for construction	215,016	3,184,489

17 NUMBER OF TONS OF FREIGHT OF 2000 LBS. CARRIED.

Moving.	1st. Class.	2nd. Class.	3rd. Class.	Wheat.	Flour.	Car Loads, Various.	Total.
North	1191	2462½	3320½	8	....	790	7772
South	364½	891	937½	6338	7518½	13320	29360

Total number of Tons

37,132

18 Total movement of Freight or number of Tons carried one mile

Miles.

19	Average rate of speed adopted by ordinary Passenger Train (including stops) per hour	20
20	Rate of speed when in motion	25
21	Average rate of speed of Express Trains (including stops) per hour ..	25
22	Rate of speed when in motion	30
23	Average rate of speed of Freight Trains (including stops) per hour ..	13
24	Rate of speed when in motion	17
25	Average weight in Tons of Passenger Trains, exclusive of Engine, Passengers, and Baggage	63
26	Average weight in Tons of Freight Trains, exclusive of Engine and Freight, tons (2000lbs.)	60

CLASSIFICATION OF FREIGHT IN TONS OF 2,000 LBS.

Description of Freight.	Tons Moving South.	Tons Moving North.	Total Tons.
Of the Product of the Forest.....	13142	681	13823
Ditto of Animals.....	350	.....	350
Of Vegetable Food, including 211,301 bushels			
Wheat and 71,670bbs. Flour.....	15319	8	15327
Of other Agricultural Produce.....	508	....	508
Of Manufactures.....	41	....	41
Of Merchandise.....	....	6364	6364
Of other articles.....	....	719	719
Total.....			37,132

EXPENSES OF MAINTAINING ROAD.

	£	s.	d.
1 Repairs of Road Bed.....	5,198	9	6½
2 Repairs of Fences and Gates.....	155	14	8
3 Repairs of Buildings, Insurance, &c.....	42	1	1
4 Taxes on Real Estate.....	.....	
	5,396	5	3½

EXPENSES OF OPERATING THE ROAD.

Description of Work.	ALLOTTED TO.			
	Construction.	Passenger Traffic.	Freight Traffic.	Total.
1 Repairs of Engines and Tenders. . . .	983 10 8½	976 9 10	663 5 7	2623 6 1½
2 Repairs of Passenger and Baggage Cars. . . . .	....	512 10 10	....	512 10 10
3 Repairs of Freight Cars. . . . .	....	....	1154 11 5½	1154 11 5½
4 Repairs, Tools, & Machinery . . . .	....	....	....	....
5 Incidental Expenses, including oil used in shops, fuel in ditto, Clerks, Watchmen, &c., about shops. . . .	140 15 4½	138 19 2	94 10 0	374 4 6½
6 Office Expenses, Stationery, &c. . .	100 13 3	274 5 0	104 6 3	479 4 6
7 Agents and Clerks	545 16 6½	1110 9 9	765 9 7	2421 15 10½
8 Labor loading and unloading Freight	....	....	819 8 3½	819 8 3½
9 Porters, Watchmen, and Switch Tenders	147 15 8½	304 5 0	202 11 0	654 11 8½
10 Water Supplies.	238 7 11	297 4 2	126 4 9½	661 16 10½
11 Conductors, Baggage and Brakemen	454 11 10½	1255 0 0	776 4 1	2485 15 11½
12 Enginemen and Firemen	989 11 7½	1206 17 10	501 19 4	2698 8 9½
13 Cost of Fuel, and of preparing it for consumption	1033 2 7	1009 11 10	694 18 4	2737 12 9
14 Oil, Tallow, and Waste, used for—				
Engine & Tenders	399 5 4	558 8 4	228 5 3	1185 18 11
Freight Trains. . .	....	....	256 9 6	256 9 6
Passenger & Baggage . . . . .	....	219 1 7½	....	219 1 7½
Ballasting & Construction	248 14 9	....	....	248 14 9
15 Loss by Damage to goods on Passenger Baggage	....	131 12 3	....	131 12 3
<i>Carried forward</i> . . .	5282 5 8	7994 15 7½	6388 3 5½	19665 4 9

EXPENSES OF OPERATING THE ROAD.—(Continued.)

Description of work.	ALLOTTED TO:			
	Ballasting and Construction.	Passenger Traffic	Freight Traffic.	Total.
<i>Brought forward..</i>	5282 5 8	7994 15 7½	6388 3 5½	19665 4 9
16 Damage paid for injuries to per'ns	.....	.....	.....	.....
17 Damage to Pro- perty on the Line, including Cattle killed & Loss by Fire ..	56 7 9	515 11 0	57 18 2	629 16 11
18 Gratuities to per- sons for Acci- dents &c., for which the Com- pany were not liable .....	.....	.....	10 0 0	10 0 0
19 General Superin- tendence	414 4 4	860 7 8	579 9 4	1854 1 4
20 Contingencies not otherwise pro- vided for .....	.....	.....	.....	.....
Total	5752 17 9	9370 14 3½	7035 10 11½	22159 3 0

EARNINGS.

FROM	AVERAGE.						Total Earnings from all sources from 16 May, 1853 to 30 June, 1854
	Per Week per mile of Road operated	Per Mile per Car.	Per Mile, Per Ton, and per Passenger.		Per Mile run by Each Train.		
	£ s. d.	D.	D.	C.	S. D.		
Passenger	5 3 8	14.128	1.406	2.344	4 10.223	16727 7 3	
Freight	3 14 0	13.469	2.309	3.848	8 6.116	11929 18 8	
Other sources, including Mails and Nett Profit on Steamer "Morning", £389 7 4.....	0 3 4	....	..	..	....	552 6 10
Storage .....	....	....	..	..	....	387 3 10½
	9 1 0	....	..	—	....	20095 16 7½

ACCIDENTS.

24TH JUNE, 1853.—A labouring man, named Burns, was killed by the Gravel Train ; he was not in the Company's employ, and persisted in climbing on the Train, although repeatedly cautioned not to do so : he fell between the cars, and was instantly killed. Verdict on Inquest, "Accidentally killed by his own imprudence."

17TH JULY, 1853.—Accommodation Train left Toronto at 4 35, P. M., on this day, for Bradford, to commence on a new time table the ensuing day. When six miles from Toronto, a cow became entangled in the Train, and a Passenger Car was thrown off the track, rolled down the embankment, and was so much damaged as to be rendered useless ; the speed at the time was not more than 12 miles per hour. No passengers were taken on this train ; but a person, whose name was unknown, had got into the car without the knowledge of the conductor ; he escaped, however, with some slight bruises ; none else hurt.

21ST JULY, 1853.—Thomas Rohan, a labourer on Gravel Train, fell off, and hurt one of his feet.

4TH AUGUST, 1853.—Charles Lathrop, Express Messenger, in attempting to jump on the cars when they were in motion, hit his leg against a wooden step, standing on the ground, and broke it below the knee.

23RD SEPTEMBER, 1853.—Henry Bell, conductor of freight train, fell off the train when in motion, near King station, and broke his leg ; it was subsequently amputated.

17TH OCTOBER, 1853.—Engine and tender and two cars of a freight train ran off the track at a gravel pit switch, north of King station. Engine and tender thrown down the embankment (about 14 feet; the remainder of the train remained on the track without damage. This accident originated in the carelessness of Terence Meagher, switch tender at the gravel pit, who, after switching the ballast train into the pit, locked the switch on the siding instead of on the main track. No person received any injury.

22ND NOVEMBER, 1853.—Accommodation train, going north, about five miles north of Bradford, at 5.55 P. M., and quite dark, ran over a man named John Brown, who was lying on the track ; he died next morning. It was ascertained, on enquiry, that he was intoxicated. Verdict on Inquest, "Accidental death."

3RD JANUARY, 1854.—Henry Stone, brakeman, in coupling an Engine to a flat car loaded with lumber, was jammed between the cars, and for some days incapable of doing his duty.

21ST JANUARY, 1854.—At six, P. M., a soldier named James Shaw was ran over by the tender of an engine, crushing one of his legs, and so much injuring him as to cause his death a few hours afterwards. The engine had worked at construction, north of Barrie, for the contractors, and had been flagged by the Express train. At the time of the accident, it was backing from the switch at the foot of Bathurst street, and had moved only eight or nine rods, when the fireman saw the deceased laying near the track ; the engine was not moving at a greater rate than two miles an hour, at the time, and had not proceeded

more than eight feet, after the alarm was given, before it was brought to a stand. The bell of the engine and of another engine in motion, near the same place, were ringing at the time, and the whistle signal for backing had been properly given. No neglect can be traced to any person in the employ of the Company. The deceased distinctly stated, when picked up, that it was his own fault; that he had slipped down when attempting to cross in rear of the tender. At the time of the accident, the snow was drifting very much, and the evening was dark.

22ND FEBRUARY, 1854.—Andrew McNamara, head brakesman, freight train, when switching the train past the engine, before entering the city, on signal being given him by the engineer, he uncoupled the engine; after uncoupling it he stood on the back of the tender; when the engine came to a stand, he stepped down on the track, and leaned against the draw bar of the tender, intending, as he afterwards told, the conductor, to walk from the siding to the train; when the train was clear of the switch, the engineer gave the prescribed whistle signal to back up; McNamara did not appear to observe it, and was knocked down, both his legs were broken, and his back injured; he was taken to the hospital and died at midnight. Verdict on Inquest, "Accidental death." No neglect of signals could be traced to the engineer, and the accident appears to have been consequent on deceased's want of caution in leaning against the tender.

16TH MARCH, 1854.—A train, loaded with timber, while switching on the Queen's Wharf branch, the front truck of a car was derailed, and John Connel, a brakesman, either fell off, or, in attempting to jump off, fell under the wheels and was killed. An inquest was held on the body, and a verdict given of "Accidental death." No cause could be

discovered for the truck of this car being thrown from the rails ; the train was moving slowly at the time ; the car was not upset, nor was any of the freight on it displaced.

ON THE 22ND JUNE, 1854, a person named Johnson, while laying on the track, 3 miles north of Bradford, in a state of intoxication, was ran over by the Express train, moving south, at 7.49, P. M. One of his feet was badly crushed, and the other slightly injured. The accident occurred on a curve, where the engineer could not see him in time to stop the train before the engine had passed over him.

APPENDIX

TO SUPERINTENDENT'S REPORT.

A.

Cost of one ton of Freight, via the Welland Canal, from Oswego to Mackinaw
(Route No. 1*) :—

From Mackinaw to Port Colborne, 597 miles, at 5 mills per ton.....	\$2.98.5
" Port Colborne to Oswego, 168 " at 7 " "	1.17.6
Welland Canal Tolls.....	.50.0
	\$4.66.1

Cost of same, via Toronto and the Ontario, Simcoe and Huron

Railway, from Oswego to Mackinaw (Route A*) :—

Mackinaw to Collingwood, 235 miles, at 5 mills per ton per mile..	\$1.17.5
Collingwood to Toronto, 93 " at 15 " " ..	2.32.3
Toronto to Oswego, 140 " at 7 " " " ..	.98.0
	\$4.47.8

Difference in favour of Toronto, or for Transshipment..... \$0.18.3

Time required between Oswego and Mackinaw, via the Welland Canal
(Route No. 1*) :—

	Hours.
Mackinaw to Port Colborne, 597 miles, 8 miles per hour.....	74
Welland Canal.....	36
Port Dalhousie to Oswego.....	17
Detention in Welland Canal and St. Clair Flats.....	12
Total.....	139

Time required between Oswego and Mackinaw, via Toronto and the
Ontario, Simcoe and Huron Rail Road (Route A*) :—

	Hours.
Mackinaw to Collingwood, 235 miles, at 8 miles per hour.....	29
Collingwood to Toronto, 93 " 15 "	6
Toronto to Oswego, 140 " "	17
Delay in Transshipment.....	12
	64

Difference in favour of Toronto..... 75

* See Map.

Cost of one Ton, carried from Albany to Mackinaw, via the Erie Canal
(Route No. 2*) :—

Mackinaw to Buffalo, 617 miles, at 5 mills per ton per mile.....	\$3.08.5
Buffalo to Albany, by Erie Canal, 364 miles, at 11 mills "	4.00.4
	<u>\$7.08.9</u>

Cost of one Ton, carried from Albany to Mackinaw, via the Ontario,
Simcoe and Huron Railroad (Route A. 1*) :—

Albany to Oswego, via the Erie Canal, 175 miles, at 11 mills. \$1.92.5	
Oswego to Mackinaw, via Toronto, as before estimated.	4.66.0
	<u>6.58.5</u>

Saving, via Toronto..... \$0.50.0

Cost of a Ton of Freight, carried from Oswego to Chicago, via the Welland
Canal, Lake Erie and the Southern Michigan Railway (Route No. 3*) :—

Oswego to Monroe, 418 miles, at 6 mills per ton per mile.....	\$2.50.8
Welland Canal Tolls.....	0.50.0
Monroe to Chicago, 247 miles, at 25 mills per ton per mile.....	6.17.5
	<u>\$3.18.3</u>

Cost of same when carried via the O. S. and H. R. R. (Route
A. 2*) :—

Chicago to Collingwood, 575 miles, at 5 mills per ton per mile. \$2.67.5	
Collingwood to Toronto, 93 " at 25 "	2.32.3
Toronto to Oswego, 110 " at 7 "	0.98.0
	<u>6.17.8</u>

Difference in favour of latter Route..... \$3.00.5

Time requisite for conveying a Ton of Freight from Oswego to Chicago, via
Welland Canal, Lake Erie and Southern Michigan Railway
(Route No. 3*) :—

	Hours.
Oswego to Port Dalhousie, 140 miles.....	17
Welland Canal.....	35
Port Colborne to Monroe, 250 miles.....	31
Monroe to Chicago, 247 "	16

100

To effect the same, via the Ontario, Simcoe and Huron Railway
(Route A. 1) :—

	Hours.
From Oswego to Toronto, 140 miles.....	17
" Toronto to Collingwood, 93 miles.....	6
" Collingwood to Chicago, 575 "	72
One additional Truck-patent.....	12

107

Additional time required by Toronto..... 7

* See Map.

**Cost of Transporting a Ton of Freight from Toronto to Chicago, via the
Canada Grand Trunk and Northern Michigan Railways (Route
No. 4*) :—**

Toronto to Port Sarnia, 170 miles, at 25 mills per ton per mile.....	\$4.25.0
Transhipment and Ferry, per ton.....	0.20.0
Port Huron to Grand Haven, 202 miles, at 25 mills per ton "	5.05.0
Transhipment.....	0.10.0
Grand Haven to Chicago, 110 miles, at 7 mills per ton "	0.77.0
	<hr/> \$10.37.0

Cost of same, via the Ontario, Simcoe and Huron Railway :—

Toronto to Collingwood, 93 miles.....	\$2.32.0
Transhipment.....	0.10.0
Collingwood to Chicago, 575 miles, at 5 mills per ton per mile	2.67.0
	<hr/> 5.29.0
Difference in favour of O. S. and H. R. R.....	\$5.08.0

**Time required for Freight Traffic between Toronto and Chicago, via the
Canada Grand Trunk and Northern Michigan Railways (Route
No. 4) :—**

	Hours.
Toronto to Sarnia, 170 miles, at 15 miles per hour, say.....	12
Time in Transhipment and Ferry, say.....	8
Port Huron to Grand Haven, 200 miles, at 15 miles per hour.....	14
Transhipment, &c.....	6
Grand Haven to Chicago, 110 miles, at 10 miles per hour.....	11

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The same, via the Ontario, Simcoe and Huron Railway :—

	Hours.
Toronto to Collingwood.....	6
Transhipment at Collingwood.....	6
Collingwood to Chicago, 575 miles, at 10 miles per hour,.....	57
	<hr/> 69
	<hr/> 18

* See Map.

APPENDIX B.

EXTRACTS FROM THE "ANNUAL REPORT OF THE STATE ENGINEER AND SURVEYOR ON THE CANALS OF THE STATE OF NEW YORK, FEBRUARY, 9th, 1853.

"An investigation of the comparative advantages of the several channels of communication between the sea board and the interior, requires an examination into the *cost* and *charges* of transport by the various modes of land and water conveyance."

"The *charges* cannot be relied upon in this investigation, because they fluctuate on the various routes, and on the different articles conveyed; competition reducing them to a minimum, and monopoly raising them to a maximum."

"The *cost*, however, furnishes a more reliable basis for comparison, as the elements upon which it depends are usually affected alike on the different routes."

Mr. McAlpine then gives the following "*Table of the Cost of Transport per Ton per mile*," by various modes of conveyance:—

Ocean long voyage,	1 mill.
" short " from	2 to 4 "
Lakes, long voyage,	2 "
" short "	3 to 4 "
Rivers Hudson and of similar character,	2 5 "
" St. Lawrence and Mississippi,	3 "
" Tributaries to Mississippi, from	5 to 10 "
Canals, Erie enlargement,	4 "
" other large but shorter, from	5 to 6 "
" ordinary size	5 "
" " with great lockage, from	6 to 8 "
Railroads transporting Coal, from	6 to 10 "
" not for Coal, favourable lines and grades,	12 5 "
" " steep grades, from	15 to 25 "

"The *cost* of transportation on the Erie Canal, including its repairs and maintenance, and the *expenses* of the forwarders, is five mills per ton per mile."

"The *cost* of transportation of freight on the Central Railroad, including items of *expense* corresponding to those above stated, was *nineteen mills per ton per mile*, and on the New York and Erie was *thirteen mills*."

The charges for the transportation of all the freight on the Canals, in 1853 including the tolls paid to the State, averaged *one cent and one mill per ton per mile*.

The charges for the transportation of all freight on the Central Railroad, averaged *three cents and four mills per ton per mile*, and on the New York and Erie averaged *two cents and four mills*. * * *

The total sum paid for transportation on the Canals, in 1853, is ascertained to be about seven millions of dollars, which must be considered as the actual Receipts of the Canals in making a comparison with those of the Railroads.**

If this business had been performed on either of the two Roads in question, (i. e. the New York Central or New York and Erie,) at their present charges, it would have cost the people over Thirteen millions of dollars for its transportation.

Of the articles of Fur and Poltry, live Stock, Pork in the Hog, Cheese, Butter, Wool, Hides, Peas, Beans, dried Fruit, Cotton, Hemp, Grass and Clover Seed, Hops, domestic Spirits, Leather and Furniture, domestic Woolens and Cottons, and Oysters and Clams, there were transported upon the Canals, for the four years named, Three hundred and eleven thousand four hundred and eighteen tons, and upon the Railroads, One hundred and thirty one thousand eight hundred and seventy one tons—a proportion of 2.36 to 1, while the proportion for the whole tonnage is as 32 to 1.

Of the articles, Boards and Scantlings, Shingles, Timber, Staves, Wood, Lard, Lard Oil, Tallow, Flour, Wheat, Rice, Corn, Corn Meal, Barley, Oats, other Grain, Bran and Ship Stuffs, Potatoes, Beer, Linseed Oil, Oil Cake, Starch, Agricultural Implements, Iron, Machines, and Salt, there were transported upon the Canals, for the four years named, Nine millions one hundred and seventy two thousand nine hundred and ninety five tons; and upon the Railroads, Eighty four thousand six hundred and fourteen tons—a proportion of 108.4 to 1, while the proportion for the whole tonnage is as 32 to 1.

Of all other articles named in the Table there were transported by the Canals, Two millions three hundred and fifty seven thousand nine hundred and two tons; and upon the Railroads, One hundred and forty three thousand four hundred and forty four tons. * * *

The whole tonnage of the New York Northern Railroad is six per cent; of the New York Central, is nine per cent; of the New York and Erie, is fourteen per cent; of the Pennsylvania Railroad, is two per cent; and of the Baltimore and Ohio, is seven per cent of the tonnage of the Erie Canal.

The tonnage shipped from the western terminus eastward, by the Northern Railroad, is eight per cent ; by the New York Central, is three per cent ; by the New York and Erie, is four per cent ; by the Pennsylvania, is two per cent, and by the Baltimore and Ohio, is three per cent of that shipped by the Erie Canal.

The tonnage shipped from the eastern terminus westward, by the Northern Railroad, is five per cent ; by the New York Central, is eleven per cent ; by the New York and Erie, is twenty two per cent ; by the Pennsylvania, is five per cent, and by the Baltimore and Ohio, is ten per cent of that shipped by the Erie Canal.

* * * * *

With the public mind thus turned so strongly in favor of railroads, it is almost hazardous to enter into an advocacy of the superior advantages of the water lines for the conveyance of the internal commerce of the country. The slow, plodding canal boat, with its cargo nearly equal to that of a locomotive and its long, dashing train, is almost forgotten, until we are reminded by the daily arrival of these boats at this city that it would require the daily arrival of one hundred locomotives and fifteen miles of cars to perform that business done on the Erie canal, which hardly attracts the attention of the passing traveller or of our own citizens.

* * * * *

As the public mind had become somewhat disturbed by the assertions that the railroads of this State were diverting a large portion of the business of the canals, and would probably prevent an increase in the revenue sufficient to pay for the completion of the unfinished works without resort to taxation, it was considered proper to carry out a comparison between the cost, capacity and revenue of the canals, and of those roads, and the cost and charges for transportation thereon, which resulted in showing that the aggregate cost of the Central and Erie roads was much greater than that of the Erie canal when its enlargement is completed, while their capacity was less than one-fourth as great ; and also, that the cost of transportation on these roads was three times that of the canal, and the charges more than double.

The errors of the statements which were offered to prove that the railroads diverted the business from the canals were exhibited, by showing that the receipts of the canal compared with those of railroads, were understated one-half, while the railroad receipts were overstated one hundred per cent. It was shown that these errors were again doubled by making the receipts of the railroads the standard for a comparison, instead of the tonnage, when the railroad charges were more than double those on the canals, and that when by this comparison, the proportion alleged was thus reduced to one-eighth, it was subject to further reductions in consequence of more than one-half of the freight carried by the railroads being of a character that would prevent it

from being carried at all on the canal; that more than one-half of the remainder should be deducted for that portion of the freight carried by the railroads when the canals were closed, and that of the very small remainder, a very large proportion was local freight, which could not bear the expense of land transportation to the canals; and finally, that the railroads brought a very large amount of business to the canals, far exceeding the amount of all the legitimate canal freight which they carried to market.

* * * * *

TABLE

Shewing the charges for transportation between the sea board and the west, by the various railroads and water lines.

						Per ton (of 2,000 lbs.) per mile.	
						Centa.	Mills.
<i>From New York.</i>							
Hudson River	-	-	-	-	-	7	
Erie canal	-	-	-	-	-	1	1
Western lakes, short voyage	-	-	-	-	-	1	..
Do. long voyage	-	-	-	-	-	5	
New York and Erie railroad	-	-	-	-	-	2	4
Hudson River railroad	-	-	-	-	-	3	1
New York Central railroad	-	-	-	-	-	3	4
Western roads, from Buffalo to Chicago, average	-	-	-	-	-	2	5
<i>From Boston to Western Lakes:</i>							
New England roads from Boston to Rouse's Point	-	-	-	-	-	2	7
Northern road, Rouse's Point to Ogdensburg	-	-	-	-	-	2	..
Lake Ontario and Welland canal	-	-	-	-	-	7	
Western road, Boston to Albany	-	-	-	-	-	2	3
<i>From Quebec:</i>							
St. Lawrence river and canals	-	-	-	-	-	6	
<i>From Philadelphia:</i>							
Pennsylvania canal to Pittsburg	-	-	-	-	-	2	4
Do. railroad do. (estimated)	-	-	-	-	-	3	5
Ohio river	-	-	-	-	-	8	
<i>From Baltimore:</i>							
Baltimore and Ohio railroad	-	-	-	-	-	3	..
<i>From New Orleans:</i>							
Mississippi river (lower)	-	-	-	-	-	6	
Do. (upper)	-	-	-	-	-	9	
Ohio canals	-	-	-	-	-	1	..
Wabash and Erie canal	-	-	-	-	-	1	9
Illinois canal,	-	-	-	-	-	1	4
Do. river	-	-	-	-	-	1	2

TREASURER'S STATEMENT OF CAPITAL AND GENERAL

Dr.		£.	s.	d.
To Currency Bonds, payable January 1, 1858.....		11000	0	0
" " " 1, 1862.....		19150	0	0
" Sterling Bonds " 1, 1873.....		249416	13	4
" Government Guarantee.....		334583	6	8
" Stock paid up, 40,216 Shares.....		201080	0	0
" Instalments on Stock received.....		1655	2	6
" Instalment Stock to be received.....		9274	17	6
" Ballasting and Change in Line.....		8054	11	9
" Freight Traffic.....		12084	9	4½
" Passenger do.....		16727	7	3
" Storage.....		130	9	1
" Cash Receipts on every other Account.....		26225	0	10½

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ACCOUNTS, from the date of Contract to 30th June, 1854.

Cr.			
	£	s.	d.
By Story & Co., under original Contract.....	579106	13	4
" " " Supplemental Contracts, for Rolling			
Stock and Depot and Harbour Service.....	107616	6	8
" Steamboat "Morning".....	2422	0	0
" Wharves on Lake Simcoe.....	800	0	0
" Denison for Land.....	1200	0	0
" Capreol, for preliminary Expenses.....	11000	0	0
" Discount on Negotiation of Bonds, under Supplemental			
Contract, No. 2.....	5292	10	0
Cash Payments :—			
" Interest.....	£45583	1	11
" Deposit in Chancery.....	927	0	0
" Legal Expenses.....	517	10	8
" Extension Surveys.....	456	14	2
" Accounts remaining over for Estimate...	3456	13	10
" Running Expenses, chargeable to Compa-			
ny, as per Superintendent's Report on			
Ballasting and Construction.....	4628	10	5
" Passenger Traffic.....	7742	14	5½
" Freight Traffic.....	5123	3	11
" Expenses of Repairs of Machinery and			
Rolling Stock, as per Superintendent's			
Report, chargeable on Construction...	1124	6	1
" Passenger Traffic.....	1627	19	10
" Freight Traffic.....	1912	7	0½
" Expenses of maintaining Road, as per Su-			
perintendent's Report.....	5396	5	3½
" On every other Account.....	43445	19	0½
		121942	6 8
" Balance		60012	1 8
		£889391	18 4

W. SLADDEN, Secretary and Treasurer.

