

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 $31\frac{1}{2}$ 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