

CANADIAN INLAND COMMERCE.

REPORT

ON

WATER COMMUNICATION AND COMMERCE BETWEEN THE
OLDER PROVINCES OF THE DOMINION AND MANITOBA
AND THE NORTH-WEST.

F. W. HENSHAW, Esq., *President* ;

AND

THE COUNCIL of the *Montreal Board of Trade* :—

GENTLEMEN,

By referring to the Report which I made to you on the "*Necessity for Reducing the Canal Tolls*," you will find the following remark on page 7 :—

"A future opportunity may occur for answering a most important question—What will be the effect of Canal Tolls—especially those on the Welland—upon the carrying trade of the near future, between the older Provinces of Canada and those of the North-West via Lake Superior? The Secretary has also at hand the statements of a season's trade by the Sault Ste. Marie Canal, from which it may be fairly inferred that these Canadian Canal Tolls will operate very adversely to the interests of the Merchants and Common Carriers of the Dominion."

That was written under date 29th March, 1881, and the Canal Tolls were considerably modified by an Order-in-Council, of 21st April following. It was considered desirable, therefore, to ascertain, if possible, what might be the effect of the modifications upon Canal traffic, at least approximately, in 1881, as contrasted with 1880; but, when it is remembered that the condition of the trade in Breadstuffs was exceptional in 1881, there will be no difficulty in concluding that a comparison of its figures with those of 1880, in which the Grain trade of Montreal was the largest on record, would not be a very fair one.

On looking a little more closely into the subject, it becomes evident that the Canal Tolls are not the sole difficulties which are encountered by Forwarders