would require the railways to reduce their price for the rail haul from Buffalo to New York from 4 cents to ¾ of a cent, which is not thought a possibility by transportation authorities.

But the point I desire to make in connection with these figures is this. If our American competitors deem it worth while to spend $110,000,000 to get a waterway of 12 ft. deep from Buffalo to the Hudson River, **is it not about time that Canadians awakened to the fact that without the expenditure of another dollar on canals they are the owners to-day of a through water route of 14 ft. draught, and could, if they supply the terminals and the carrying power, be in an even better competitive position than the United States will be after it has spent the proposed $110,000,000 on its Erie Canal.**

Investigation into the comparative cost of carrying a ton of freight a mile by rail and by water by the highest authorities gives the following result:

A 6,500 gross ton freighter, costing $280,000 on a 1,000 mile trip, will carry her maximum cargo at a cost not exceeding 0.6 of a cent per ton per mile. This is less than 1-10 of the average freight rate per ton per mile that is earned by the railways on this continent. The cheapness of the carrying power of water as compared with rail will be made more clear by the fact that in large freight vessels the consumption of coal is 5 lbs. per 100 ton miles of freight carried, whereas the consumption of coal on railways is 19 lbs. per 100 ton miles.

The problem of cheapening the cost of handling the nation's business leads the student of transportation into figures the magnitude of which becomes almost staggering. The Canadian railways at the present moment are handling annually