

" will be sufficiently understood. The railway communication between Montreal and the interior has been open scarcely two years, while from New York it has been open from ten to fifteen years. Above Montreal the canals around the rapids are on a scale now to pass steam vessels of 800 tons burthen. Below Montreal the river has been deepened within the last four years from eleven feet of water on the bars to eighteen feet of water. Ten lights are now established between Quebec and the mouth of the Gulf, and others are about being constructed, rendering that navigation now comparatively safe. Steam-tugs, established by Government, are stationed at Quebec, and operate below that city, affording facilities equal to any other port to vessels navigating the Gulf waters."

I must not conclude the subject of traffic without congratulating the Directors on the great regularity with which all the trains of the Company have been run, and the happy immunity from accidents that we have experienced.

Nor must I omit to mention the progress which has been made in an accelerated communication between Canada and England. The Provincial Government, alive to the importance of forming an independent regular line of steamers to England, the shortest route between the two continents being admittedly *via* the St. Lawrence, (Quebec being 400 miles nearer to Liverpool than any other Atlantic port), has granted a subsidy of £50,000 per annum, for a weekly line between Liverpool and Quebec and Portland, which will commence next year. The possession of this independent oceanic line affords the Grand Trunk Railway the most direct and expeditious route between New Orleans and Chicago, and Liverpool. This is essentially a foreign traffic, and time will be required to change it from its present channels; but in our local traffic a much more rapid development may fairly be expected from the numerous manufactories springing up alongside of the railway, and the Directors in Canada, fully alive to the importance of the support of native industry, have wisely determined, whenever practicable, to patronise home manufactures, and to hold out every inducement for manufacturers in all trades to settle along the line of railway.

Already we have succeeded in obtaining, near Toronto, a branch establishment of a large New York firm for the manufacture of a patent oil now in general use on American railways, and which we consume in very large quantities. The same may be also said as regards the manufacture of railway wheels, as the districts of Three Rivers and Marmora abound in the richest iron ore.

In the preceding remarks I have addressed myself more particularly to those branches of the subject which concern our present returns and prospects, or which are embraced in the consideration of the extensions to the westward now under contract. But it should be borne in mind, that while we have every reason to expect that increased facilities, and a more thorough appreciation of the advantages which railroads in all parts of the continent offer to the public in their rapid and assured mode of communication, will result in a more general use of the Grand Trunk than is at present resorted to:—we have the certainty before us that large portions of the still unoccupied land which the road skirts at intervals in its course from east to west, and the vast untouched tracts to the north, to which through its numerous feeders and connections it may be said to lead, will rapidly fill up and furnish their quota of support to what must constitute in all time to come their main business communication. It were needless to hazard a conjecture as to the precise period when these anticipations will be realised, but which under no circumstances can be remote, if we may argue of the future from the progress which Canada has exhibited since the union of the