

During the past winter this question, under your instructions, engaged my especial attention, and it was my earnest desire, by so representing to owners of steamboats the advantages of your route, and urging on them the strong probability of its proving profitable, to procure the establishment of a line of steamers, on the strength of a guarantee of a certain amount of business from the Company.

In this endeavour I was met by the objection that the route was unknown and untried—that they (the owners) would not be warranted in withdrawing their boats from known and profitable lines of travel in order to experiment for the advantage of this Company; and it was fairly urged that your confidence in the business your route could command, would be best testified by assuming the risk yourselves.

The navigation of 230 miles of your route, with the Collingwood Harbour, had been represented by interested parties, as difficult and exceedingly dangerous; and though such representations had not the slightest foundation in fact, they had a certain influence in deterring private individuals from entering on the enterprise, especially as those who owned steamers suitable for the business, had interests at other places which would be more or less injured by the withdrawal of their boats from the accustomed routes, to place them in a trade, where, in any event, they could not manage them as economically as at their usual places of business.

Under all these circumstances, our alternatives were evidently either to abandon all the advantages anticipated from a through traffic, together with all the Company's expenditure north of Lake Simcoe, or to charter for account of the Company, during the first year, the requisite boats to establish the business. The latter alternative was adopted without hesitation; and I have not as yet dis-