per ton per mile by canal, and 1.73 cent per railway, but it is not shown how this is composed. This would give a decided advantage to water coommunication in this State, (I do not refer to the other canals as the Erie Enlargement monopolises nearly the whole of the water traffic, and all the other canals with only two exceptions shew a deficit.) It appears however that it was found necessary to protect this canal by a legislative act forbidding the transport of merchandise by the railway during the season of navigation, and thus placing the railway under immense disadvantage. I am not aware whether this act is still in force, but it will easily account for the excessive price on the rail, when this report was made.

It is hardly necessary to say that I don't propose to apply either the French or English or American tariff to the line between Fort William and Fort Garry; if I did, the transport from Fort Garry to Lake Superior would cost only 4 dollars per ton, but I consider double the American tariff, or 3.50 cents per ton per mile, ought to be a large and sufficient price, and would bring the cost per ton under 15 dollars; and by no other conveyance could it be done so cheaply.

about 1 centime and 7-10th per ton per kilometre. This figure does not include the maintenance of the permanent way, or service or interest of material, &c. Taking all these expenses into consideration, the average cost of merchandise of all descriptions, amounted to about 4½ centimes per ton per kilometre, and is composed as follows:

	CENTIMES.
Maintenance of permanent way	0.0060
Traction	0.0173
Clerks, warehouse men and laborer	s0.0116
Central service and sundry expense	es.0.0023
Renewal of road and material	0.0076
Total	0.0448

(this is equal to 6 centimes per mile or 1.20 cents.)

It may here be observed that the Strasbourg line is a bad average as regards the cost of transport, as the return of empties, or light trains is very frequent."