

*To the President and Directors of the Ontario, Simcoe and Huron Railroad.*

GENTLEMEN,—I have the honour to submit herewith a General Statement of the Traffic Transactions, during the year commencing with the opening of your Road to the public for Traffic, and ending on the 30th June, ulto., being the end of your fiscal year.

In submitting this Statement, I purpose to offer some remarks on the development of the Local Traffic as therein exhibited, and further to bring under your consideration the probable amount of *through* Traffic which may be served by the line of travel, of which your road forms a most important link, in order that the requisite steps may be taken for securing it, and for affording the necessary facilities to enable you to transact it with profit to the Company, and with satisfaction to the travelling public and to the owners of freight.

On reviewing the traffic of your road for the past year, it will be found to present a most gratifying result, and to have exceeded the most sanguine expectations that were formed of it. *Without any through travel*, and without shewing any fictitious earnings from freight carried for purposes of construction, the receipts have gradually increased, until they now equal the published *earnings*, per mile, of the Montreal and Portland section of the Grand Trunk Railway, which has all the advantages accruing from a through traffic between the Atlantic sea-board and the largest commercial depot in Canada, while its receipts are materially enhanced by the conveyance of a very large amount of freight and passengers for the construction of other sections of the Road, and further, (as I am informed) by charges for the conveyance of material used in the construction and repair of the section over which it is carried. I mention