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and repairs at \$20,000, will require an income of \$270,000 to pay 10 per cent. on this capital. The question is, how is this amount to be realised? The amount of the receipts of cereals at five of the Great Western ports have already been stated, and also the receipts of lumber at Buffalo and Oswego on its way east.

But no mention has yet been made of the vast and growing exports of lumber from the great valley of the Ottawa. In 1869 the export of lumber from the Ottawa and its tributaries exceeded 400,000,000 feet. The greater part, of this lumber is cut for and is sold in the markets of the United States. At present, it is taken from the Ottawa, past Caughnawaga to Montreal, thence to Sorel, and again up the river Richelieu, and through the Chambly canal to St. John's, a distance of 112 miles with 129 feet lockage by canal, when the same lumber can be taken through the proposed canal from Caughnawaga to St. John's with 29½ miles canal, and 25 feet lockage! It necessarily follows that the whole exports from the Ottawa for the United States must pass through the proposed work.

At a meeting lately held at Ottawa where the principal parties interested in the lumber trade, here present it was unanimously resolved that the saving in transport which would be effected by the construction of the Caughnawaga Canal "*would exceed one dollar per thousand feet, compared with the rate now paid by the present circuitous route to Lake Champlain*" besides the great saving in time. Instead of one dollar per M. feet, suppose the toll on the new canal to be 30 cts. per M. feet, the same rate as is now charged on the Welland Canal, about of the same length. Thirty cents per thousand on three out of the four hundred thousand feet would be..... \$90,000

Add to this the other business *now* done on this route at Welland canal rates

Vessels, 425,465 tons at 2½ cts. per ton.....	10,636
Agricultural products, manufactures and merchandises	
78,486 tons at 30 cts. per ton.....	23,548
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	\$124,184

Add again to this say two-thirds of the lumber *shipped from Canada West* in vessels, and transhipped at Buffalo and Oswego, which, no doubt, would go through Lake Champlain by the new canal.

Lumber, at Buffalo and.....	
Oswego, 405,690,000 at 30 cts. per M. feet....	141,707
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Grain, say 6,000,000 bush. equal to 200,000 tons at 30 cts.	60,000
Vessels, 643,000 tonnage at 2½ cts.	16,000
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	\$341,891

or 13% interest on capital on Canadian business alone, and that business only including grain and lumber. The trade of the North Western States arriving at Buffalo and Oswego, and moving by canal and railroads to tide water, on the Hudson as well as the upward trade on same route, may in round numbers be estimated on the average of the last five years at 4,000,000 tons.

The question arises as to what proportion of this vast trade will be directed from its present channel through this new route of the St. Law-