

and the Erie canal. British and Canadian interests would be best served by the Ottawa route which is preferable to all others in that they one and all side-track Montreal for the benefit of New York, while it directly tends to increase the importance of Montreal as a distributing point for the northern part of the continent.

Mr. R. Adams Davy says: "The amount of freight passing Detroit annually is over 20,000,000 tons, and is rapidly increasing, so that at the end of five years from now it will probably exceed 30,000,000 tons. If only 1-10 of this can be diverted, which it is quite reasonable to expect, a toll of fifty cents a ton on 3,000,000 tons will give a revenue of \$1,500,000 from this source alone, which is ample to provide for the interest and running expenses."

Mr. H. K. Wicksteed says: "Making every allowance, I cannot estimate less than 9 or 10 million tons, which would be immediately diverted over the shorter route were the canal to be opened to-morrow."

Adopting the more conservative of these estimates, it may fairly be calculated that the total traffic from all sources at the outset will be 5,000,000 tons annually. With a toll rate of 50 cents per ton, there would be from this source of revenue alone an income of \$2,500,000, or sufficient to pay, (supposing the total cost not to exceed \$25,000,000):

Interest at 4 per cent. on \$25,000,000.....	\$1,000,000
Maintenance and operation.....	500,000
Sinking fund.....	500,000
Dividends	500,000

Nor is the diversion of an existing traffic of such immense and rapidly increasing proportions the only prospective source of trade along the route, for its opening will develop resources of inestimable richness. Bouchette writing in 1832 estimated that the Ottawa valley is capable of supporting 8,000,000 people; its present population is about 400,000. In salubrity of climate, fertility of its well-watered valleys, transparent purity of its trout-filled lakes and brooks, wealth of mines and forests, and variety and value of resources no like tract of country in Canada can surpass it. Thus, vessels carrying grain eastward would find return cargoes of lumber for lake ports. Chicago is the great centre of distribution for lumber on the continent. As long ago as 1853 according to a speech delivered by Mr. Joseph Tasse in the Canadian House of Commons its receipts by lake and rail were 1,909,910,000 feet, of which more than 1,065,000,000 were re-shipped, railroads receiving \$4,000,000 and shipowners \$3,000,000 for transportation. *The route passes through the heart of one of the richest lumber districts of the continent.* Michigan and Wisconsin pine woods are being rapidly exhausted and a large traffic in lumber must be developed along this route from the heavily timbered districts of northern Ontario and Quebec to Chicago and other lake ports for distribution to the great prairie States of the West.

Sources of
revenue.

The country passed through possesses not only vast stores of pine, but also maple, spruce, hemlock, poplar, balsam, white cedar, tamarac, birch, beech, oak, elm, ash, basswood, and other woods of commercial value and used in rapidly increasing quantities in the manufacture of furniture, finishing of houses, making of pulp, etc. The growth of the last-named industry has been very rapid, and low freight rates would create new facilities for its successful carrying on. Thus the exports from Canada of wood pulp have increased from nil in 1880 to \$386,092 in 1893 and those of wood for pulp from nil to \$435,893 during the same period.

Millions of acres of fertile lands in Northern Ontario now covered with timber will with the advent of cheap transportation fill up with settlers: and